



Leeds Domestic Water Users Association

will hold a Meeting of the Board of Directors
Wednesday, January 18, 2023, at 7 P.M. at Leeds Town Hall,
located at 218 N. Main Street, Leeds, UT 84746.

1) Call to Order

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2) Announcements

- a) Consent Agenda
 - i) Acknowledgement of meeting Notice
 - ii) Vote to Approve This Meeting's Agenda
 - iii) Vote to Approve Previous Meeting Minutes

3) Officer Reports

- a) President's Report – [Don Fawson](#)
- b) Operations (Field) Report – [Mark Osmer](#)
- c) Finance Report – [Doris McNally](#)
- d) Administration Report – [Kurt Allen / Don Fawson](#)
 - i) Update on Future Projects
 - ii) Silver Point Estates – Request for Will Serve Letter

4) Shareholders Comments:

No action may be taken on a matter raised under this agenda item.
Shareholder must step to podium to make comments.
(Three minutes per person).

5) Roll Call Vote to close meeting



Leeds Domestic Water Users Association (LDWA)
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Minutes

Date/Time/Location:	January 18, 2023 7:00PM Leeds Town Hall
Type of Meeting:	Board of Directors Meeting
Note Taker:	Layna Larsen
Attendees:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (IT), David Stirling (M) Staff: Mark Osmer (Field Mgr), Layna Larsen (Corp Sec.) Guests: Riley Vane, Josh Wagstaff Shareholders: Terry Allen, Jared Westoff, Danielle Stirling Special Attendees: Josh Wagstaff (SPE), Riley Vane (J&D)

Agenda Topics

I. CALL TO ORDER [DON FAWSON - @ 7:00 PM]

CALL TO ORDER	I'd like to welcome everyone here. Appreciate you coming. Looks like a pretty hostile crowd, but we'll make it through. Would like to go ahead and start with a prayer if we could. We will start off with a roll call.
ROLL CALL	Present: David Stirling, Don Fawson, Kurt Allen, Doris McNally

II. PRAYER [Jared Westoff]

III. PLEDGE [Don Fawson]

IV. CONSENT AGENDA, PRIOR MEETING'S MINUTES & POLICY APPROVAL/VOTES [Don Fawson]

DISCUSSION	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE TONIGHT'S AGENDA: Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously

IV. OFFICERS REPORTS [All Members]

a) PRESIDENT'S REPORT [Don Fawson]

DISCUSSION	WELL
Don Fawson - I'm just going to give a little update on the Well. So, we had the pump test people come up today, and they actually pulled the pump. And there was a description on the pump that said it was installed in 2011 so, it was about 11 years ago. We will try to report on all that is going on up there.	

DISCUSSION	RIGHT OF WAY
Don Fawson - We have a notice from the Department of Interior. We have the right of way up around the well, the road, and whatnot there, and apparently it expired on October 6, 2022. We have a right to renew that. We just need to do it. So, I need a motion to renew the ROW as stated here.	
VOTE	MOTION TO APPROVE RENEW ROW as stated : Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously

DISCUSSION	LEGISLATURE
Don Fawson - We did get kind of an update on some of the bills that are going through the legislature and being discussed right now. This is from Smith Hartvigson, they just post this for their clients. There is a house bill 150; and it addresses preferences for water use during a temporary water shortage emergency. It says the existing statute is extremely vague about what constitutes a water shortage emergency, how the preference determination process should be managed, and how compensation for the preferential use should be calculated. This bill outlines a new procedure by which the governor would declare a temporary shortage emergency, which would be distinct from the government's powers to declare a state of emergency under the past Disaster Response and Recovery Act. A temporary water shortage emergency could only be declared if an interruption of water delivery "caused by man-made or natural causes other than drought" either (a) threatens the availability or quality of essential water supply or (b) Threatens the economy and "jeopardizes the peace, health, safety or welfare" of the public. In issuing an executive order declaring a temporary water shortage emergency, the governor would be required to seek the advice and recommendations of the State Engineer - I'm assuming the state water engineer - and consult with the state's Emergency Management Administration committee. The preferential uses of water in a temporary water shortage emergency, in order, would be for: (1) drinking, (2) sanitation, (3) Fire suppression, (4) commercial agricultural animal welfare needs, and (5) generation of electricity. Outside of the ranking of preferential uses, the bill states that water for agriculture purposes, including irrigation, livestock watering, and food processing, would be preferred over the remaining water uses. Preferential users would be required to pay the interrupted users for the reasonable value of the water, applicable crop losses, and "other consequential damages incurred as a result of the interruption." I'm sure there will be a lot of discussion on that. Any questions or thoughts on that at all?	

DISCUSSION	WCWCD
Don Fawson - Just a quick report on the WCWCD board meeting. Doris, Riley, and I had a chance to go down to the Washington County Water Conservancy District Board meeting on the 4th of January. We met privately after with Ed Bowler and Zach Renstrom to talk about the possibility or their willingness to go ahead and do all the work in installing the pipeline down the West side of Main Street. And that request was denied, part of the reason was the Board had asked Zach to go ahead and contact other Water Districts in the State and see what they have been doing and basically, they all said we don't do that, we do not assist private Water Companies and we don't want you to either, so that you're not setting	

a precedence. So anyway, they said that they are concerned, and they do want to help us as much as they can. So, I think that as we go ahead with this, we're going to see some willingness to be able to pick up some things, like for instance all the road hazard mitigation, that they will just take care of that or there may be some digging or other things that they will be willing to pick up as the project goes along. They did not seem antagonistic or anything like that, we tried to leave with a positive relationship, and I think we did. Doris did you have anything to add to this?

Doris McNally - No

DISCUSSION

SILVER EAGLE ESTATES SUBDIVISION

Don Fawson - OK, we did have a chance to make contact with Silver Eagle Subdivision, and their Engineers are continuing to work on their plan for the water system.

Also Washington County Water Conservancy is planning to install three hydrants on their 24 inch line. We have some areas in town, for instance the post office mall, the plastics plant which is across the street, the old store location, and the church which actually are required to have hydrants that can produce, 2250 gallons per minute. That would be kind of hard for us to meet. So, with that extra hydrant and with our hydrant, we would obviously be able to meet that kind of flow. So, we appreciate them doing that and that will be on their dime as I understand it. And then also they seem willing to donate the three hydrants going up to the Cul-de-sac just above the fire station for the Silver Eagle Subdivision. Marks going to pothole that line to see exactly what it is, if it's that plastic pipe, then we are going to have to abandon it and put in our own line. If not, we will go ahead and hook that into our system on the low-pressure side, we don't want that high pressure water going up the hill to be in those hydrants.

DISCUSSION

CROSS CONNECTION TRAINING

Don Fawson - Also, Mark and I will be taking an updated cross connection training class tomorrow all day, something we're really excited about. That will be online just to renew and keep our cross-connection training certification updated.

DISCUSSION

LWC METER UPDATE

Don Fawson – David can you offer a brief update on the LWC Meter.

David Stirling - About the meter installation, Kurt was able to donate us the use of some jersey barriers and we put that around the Silver Reef Vault up there. And we pulled the lids, we've removed the old filters, pulled those out, and we've been working on pulling the piping out. We finished that today. Next week we'll install the meter and the rest of the piping, put the lids back on and remove the barriers.

b) FIELD OPERATION'S REPORT [Don Fawson/Kurt Allen/Mark Osmer]

DISCUSSION

QUALITY WATER TESTS

Mark Osmer - OK. Yeah. So, we passed our Bac-T again this month.

And I've worked with Mark from Infowest, to reprogram all the cameras so they're all up and working and they're, working really well. Now they're only recording when we've got motion. So, they're not recording 24/7, just when there's motion.



We put the Eldorado Well Lid on, so that's all sealed up. Put the vents in there and sealed the other lid up so it's all locked and nobody can get in there.

I did a service line the previous month. But then a car went down there and got stuck, it was all sandy and they were digging around and anyway they must have ran it over again and they broke it. So, we had to go down there and re-fix that leak. And then I took a bunch of fill down there and brought the whole ground up level so there's about 2 1/2 feet of material on top of it now.

DISCUSSION	HIGHLAND WELL
<p>Mark Osmer - And we're working with the fire department cleaning up around the Highlands Well, they cut a bunch of trees down, chipped it, we've cleaned it all out so we can get access to it easy</p>	

DISCUSSION	WELL TESTING
<p>Mark Osmer - And the Well people were up there today, they pulled the pump out and we're waiting for them to put the new one in and test it. So, for the moment we're just running on the spring.</p> <p>Don Fawson - So the last time you checked the spring it was running at what?</p> <p>Mark Osmer - About, 175 - 180 somewhere around there, yeah, so it's dropped down a little bit.</p> <p>Don Fawson - So how long did you say they thought they'd be before they put it back in,</p> <p>Mark Osmer - They said three to four weeks maybe. By the time they got the pipe and pump and the controller and all that. So, they need to put in new pipe, new wire, new controllers and everything in there. So, we just laid the pipe out on the outside and put the pump and the motor inside the well house and locked it all up.</p> <p>Don Fawson - Appreciate that, Mark, I know he's been up there for a while.</p> <p>Mark Osmer - Yeah. Thank you.</p> <p>Don Fawson - And it's been pretty muddy as you said. So, the rains are a blessing, and particularly right now, with the well-being down, however, it can create its own set of problems.</p> <p>OK, Doris, let's turn some time over to you for Financials.</p>	

c) FINANCE & OFFICE REPORT [Doris McNally]

DISCUSSION	BILLING [Doris McNally]
<p>Billing for December was completed and mailed on January 2nd. On the reverse side of the bill the New Drips Annual Meeting Notice as stipulated by the ByLaws of our Association, on Tuesday, February 7th at 7:00PM @ The Cosmopolitan. Copies of this were also posted on the cork boards inside and outside the Leeds Post Office w/an Agenda Notice for the meeting.</p>	
<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; padding: 5px; width: 30%;">  <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p> <ul style="list-style-type: none"> • To report an EMERGENCY water leak or a loss of water PRESS 1 • For a BILLING INQUIRY, PRESS 2 • For a GENERAL INQUIRY, PRESS 3 <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p> </div> <div style="border: 1px solid black; padding: 5px; width: 30%;">  <p>LDWA ANNUAL SHAREHOLDER MEETING The Leeds Domestic Water Users Association (LDWA) Annual Meeting will be on Tuesday, February 7, 2023 at 7:00 PM. The meeting will be held at The Cosmopolitan Building, 1915 Wells Fargo Rd. in Silver Reef, UT 84746.</p> <p>WHAT TO EXPECT - Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.</p> <ul style="list-style-type: none"> • A valid photo ID is required to gain admission - Attendance at the meeting is limited to shareholders. • Regardless of the number of shares held, a Shareholder shall have only one vote. The affirmative vote of the majority of the shareholders represented at the meeting shall be the act of all shareholders. The vote upon any business before a meeting shall be by ballot. No proxy voting shall be allowed. • Agenda items include - the election of two directors for two-year terms; the presentation of the annual financials and other reports. </div> </div>	

DISCUSSION		PAYCLIX [Doris McNally]					
<p>In December we had 73 shareholders pay their bills using this payment option.</p> <p>The total amount collected through PayClix was \$4,809.06. With 58% paid via credit cards & 42% via echecks.</p>		Credit Cards		Electronic Checks		PayClix®	
		Count	Credit Cards	Count	eCHECK	Count	TOTAL
	Jan-22	33	\$2,149.28	13	\$641.94	46	\$2,791.22
	Feb-22	30	\$1,574.26	19	\$1,047.57	49	\$2,621.83
	Mar-22	33	\$1,961.13	20	\$846.85	53	\$2,807.98
	Apr-22	34	\$1,547.00	16	\$1,068.23	50	\$2,615.23
	May-22	33	\$1,510.34	21	\$1,434.03	54	\$2,944.37
	Jun-22	41	\$2,653.92	19	\$1,303.09	60	\$3,957.01
	Jul-22	46	\$3,561.35	22	\$1,828.03	68	\$5,389.38
	Aug-22	45	\$3,081.90	24	\$4,593.35	69	\$7,675.25
	Sep-22	22	\$1,295.27	17	\$1,256.22	39	\$2,551.49
	Oct-22	72	\$4,384.68	27	\$5,088.28	99	\$9,472.96
	Nov-22	37	\$1,716.18	21	\$1,433.33	58	\$3,149.51
	Dec-22	46	\$2,786.00	27	\$2,023.06	73	\$4,809.06
	472	\$28,221.31	246	\$22,563.98	718	\$50,785.29	

DISCUSSION		FINANCIALS [Doris McNally]	
December's Total Net Ordinary Income was \$20,466.01			
There are 4 Major categories for Expenses:			
1)	<u>Ordinary Admin Operating Expenses:</u>	\$972.76	This category YTD represents 2.9% of our expenses.
2)	<u>Ordinary Professional Operating Expenses:</u>	\$290.00	This category YTD represents .9% of our expenses.
3)	<u>Ordinary Field Operating Expenses:</u>	\$25,238.43*	This category YTD represents 75.4% of our expenses.
			* Higher as it includes DDW 2022 Interest Payment of \$ 9,949.00.
4)	<u>Ordinary Operating Payroll & Taxes:</u>	\$6,987.85	This category YTD represents 20.9% of our expenses.
The LDWA's Banking Accounts Stand at: (01/10/2023)			
CHECKING ACCOUNT:		\$70,654.07*	
EMERGENCY REPAIR & MAJOR PROJECT RESERVE		\$287,431.51	
DDW LOAN #3F138 FUND		\$695.41*	
IMPACT FEE ACCT		\$41,041.02	
SAVINGS ACCOUNT:		\$364,391.25	
*Transfer of \$40,949.00 from DDW LOAN #3F138 Fund to Checking account in preparation of Annual Payment for 2022.			

DISCUSSION	New LDWA Camera Equipment [Doris McNally]
<p>In August the board discussed the needed upgrade to our Camera System Monitoring & Security Severance equipment. Due to a change in service the manufacture of our existing cameras required us to purchase a Network Video Recorder (NVR) and some related software. After a review of options, the Board voted on upgrading the system. The NVR was ordered and installed earlier this month. Currently the LDWA has 26 active cameras, as we progress with our System Infrastructure Projects, we will assess the need to add to our system.</p>	

d) ADMINISTRATION REPORT [KURT ALLEN, RILEY VANE]

DISCUSSION	NEW PROJECT UPDATES
<p>Don Fawson – Ok, Kurt lets turn time over to you for the Projects</p> <p>Kurt Allen - OK, thank you, Don. The West Main Street project with the Water Conservancy District is moving forward slowly. They did bid out the materials once again. Well, let me back up a little bit. The previous bid for materials that was awarded to Mountain Land. Mountain Land was ultimately rejected and dismissed because of spec issues and being able to have them actually meet the time schedule because of material deliveries. And so, they rebid the materials, took the time limits off of it, took the liquidated damages out of it, and have bid it out again. It bid out a couple of weeks ago and the Conservancy District is just reviewing that and going through and sorting out the best options and haven't awarded that yet? That'll happen in their next board meeting.</p> <p>The main Contract for the project for West Main Street will be in April and they will bid that out to the contractors for installation of their pipeline as well as ours. And so, as we get closer to sorting out the materials issues, we will look over our portion of the material cost and we'll bring that to the board meeting to present that when we decide where we're at on that.</p> <p>The engineering is moving forward, I'll let to Riley have a few moments here to talk about where he's at on the engineering for the spring line, for the permits, the easements, right of ways, that sort of thing, and East Main Street. If you can report on that really quickly,</p> <p>you've heard about the well moving Forward. So, I'll turn the time over to Riley to report where the Engineering's at.</p>	

DISCUSSION	ENGINEERING
<p>Riley Vane - Thank you board. The priority is obviously testing the Well, we've heard about how that's being mobilized and how we can finalize that new location for the new Well based on the production of the existing well. One of the things we're noticing are, Supply issues, the funding package that we are awarded as part of the buy America, build America package. So, we have specific requirements that we have to meet for materials, and we're learning what those requirements are the same time the Division of Drinking Water is learning those requirements. So, we're learning that as fast as they're willing to release information. The Federal Government are the ones determining the rules and it's administered through the state so, that's why we're seeing a delay in some of that, even though the funding package was prepared, the exact specifics and what we need to put in our bids has not been released yet.</p>	

DISCUSSION	WELL
<p>Riley Vane - The well house, we met with LDWA and with Mark to talk about some of the criteria. We've got that nailed down. So, we're moving forward with the design on that.</p>	

DISCUSSION

THE OAK GROVE TRANSMISSION LINE.

Riley Vane - We've got our surveyor in place this week and he's been tying down section corners and the other things required for the permitting sight, he'll probably finish up next week or maybe even the week after once he gets everything surveyed and dialed in.

Environmental is also progressing and moving forward with those requirements for both the BLM permitting for the Well and the National Forest permit for the Oak Grove Transmission Line.

And the things appear to be going on schedule minus, some hiccups from the material side and we're playing that by ear just as fast as we can, trying to keep you informed as well of any updates. Any other questions?

Kurt Allen - We think you're doing a great job, Riley. We appreciate your hard work. Obviously, lots of work and lots of effort going into it and we appreciate what you're doing.

Riley Vane - Thank you and thank you for the board for being so responsive it's helping move this process on even faster.

Kurt Allen - That concludes my report.

Don Fawson - OK, I just want to mention that there is a lot of stuff going on in the background with the engineering and with development of things and whatnot that you don't see, it's not because it's trying to be hidden, it's just stuff that has to be done so. Mark reported his report was not super long, but everything that he does takes a lot of time and energy just keeping up on all the valving and water flows and everything else that's going on.

OK, at this time. Silver Point if you have the report that you want to give us.

DISCUSSION

SILVER POINT ESTATES

Josh Wagstaff - Yeah, so I sent over after our last meeting. There are a few things you guys requested. The construction drawings, hope you guys are all able to review those. The title report, the water was deeded over with a Warranty Deed, but we're still, at your request, having that research done, Brad Dobson is working on that right now. And then the RP backflow preventer, we had our engineer look at that. The cost is a little bit more than the other backflow preventer but again, we'd still be willing to do that under the terms we talked about last time, offsetting the impact fees for adding additional back flow preventers and the kind of things we talked about last time.

Don Fawson - Did you get a price on that?

Josh Wagstaff - Yeah, so I think it ended up being about 30,000 per Preventer and we'd have to have two, so it would be \$60,000 total.

Don Fawson - So the RP was about how much?

Josh Wagstaff - It's about \$30,000 because it has to go in a vault too, so between the RP, the vault, and the labor it ends up being about \$30,000 per side with the loop system.

Don Fawson - So, the RP, it can be in a vault, but it has to be above ground, it can't be in the ground. So, I don't know what they're talking about a vault. It has to have some kind of enclosure around it just for protection, but it has to be at least 12 inches above ground level.

Josh Wagstaff - I guess a concrete box would be a better word than saying a vault.

Don Fawson - It seems like an expensive concrete box, but nonetheless, OK, appreciate that. Ok, the three things that we talked about... So, the construction drawings, were those dropped off at the office?

Josh Wagstaff - I emailed them,

Doris McNally – You e-mail them, but if you can drop off a hard copy set.

Josh Wagstaff – Oh, that was my mistake. I read about the hard copy as well, but I did e-mail them.

Don Fawson - OK. Yeah, we'd appreciate that. And then the title reports you're working on that.

Jared Westoff – Is your policy one or two hard copy.

Doris McNally - We're asking for one at this time.

Don Fawson – Then there was one other thing that was brought to my attention and that's; there are two different items that go along with this. There's a document here, it's on Project and Voluntary Cleanup, SID, Environmental Covenant. So, there is a certificate of completion that we don't have record of in the state right now. Let's see the certificate of completion is not listed as being done. So, that's just something you'll need to follow through with.

Josh Wagstaff - We talked to the mayor about that as well, and I'm working with the state to see if that document even exists, if that is something that they do. As far as what the state provided us, it was a no further action letter stating that the work had been done. You know the work that needed to be done has been done. So, we have that no further action letter already.

Don Fawson - OK, if you can just follow through with that. I do have the other one, I think it's the environmental covenant that is completed one or the other. Here's the other one. So, the Environmental Covenant has been completed and recorded. It's just the other one I don't see. They have a list here of different groups through the state that have completed these, this certificate of completion, but that was just not listed. It may just be something that they need a piece of paper on or whatever, I don't know. If you can just follow up on that.

Josh Wagstaff – Yeah, I can follow up and see if there is anything in addition to that?

Don Fawson – Alright so where are you at this point?

Josh Wagstaff - So I think the one thing that I still need to provide to you is the title report, even though there was a warranty deed and so I think we just need to get that title report and then we can make a request for a will serve letter again.

Don Fawson - Sounds good. Anything else?

Jared Westoff – Do you want an update on the sewer?

Don Fawson - Yeah, that'll be great. Thank you Josh, OK, at this time. Silver Point if you have. The report that you want to give us.

DISCUSSION

SEWER

Layna Larsen – Is the sewer for a different development?

Jared Westoff - The sewer is more accurately put as more of a public project. Where we're stepping in to build it and it's getting turned over to Ash Creek. And so, it's kind of this weird gray area because we're not really a development doing the sewer. We're doing a community system turning it over to Ash Creek, and just because Ash Creek is so overloaded and if we want to get sewer in the area somebody has to step up and do it.

Layna Larsen – So, is it for the whole valley?

Jared Westoff – So we are extending the sewer from the south outside the city boundary up and through and then at some point we've decided, here's the update I guess, we've decided not to use the

Conservancy District line and we're going to jump over to Valley, come up Valley and then right here in front of Town Hall, either come back over or the Lays are wanting to participate in the sewer. So, we might jump over, come up the edge of that property, Dave, that you're farming. We don't know yet. That's just an alternate route that we're looking at.

Don Fawson – How would that go in the back. Once you got up to Babylon, where would it go?

Jared Westoff – So, if we went off the Lays property, we'd hop over others.

Don Fawson – Where is the Lays property.

Jared Westoff - That's the field that Dave is farming, that's right behind my lot and my house, that long skinny field between the Bennion's home, the new home there. And then that pond lot that I own, we would jump over in that and go up the easement and hit Valley. We're just looking for ways to stay out of the state road right away and service more people. So, it would be great if we could jump down and catch Boulder Way but the elevation doesn't work. It would be really nice because Boulder Way is putting a dry sewer in. That will have to wait until Someday. Dave, if your family ever wants to do anything or they put it in their own lift station or whatever. Anyway, the goal is for the sewer, that we would work with the Town and Washington County to pass a couple public improvement districts and we would have sponsors in Leeds and sponsor in the County area and then we would go ahead and just draw an annexation for the whole town. So, just as a hypothetical, let's say, Dave, if you ever wanted to participate, you'd be in the annexation area and that conversation could happen. But it's not forcing anybody to sewer unless they want to be part of it. So those who want to be part of the sewer could say we want to be part of it. If the Downgradient works or the Elevations work, and it makes sense then they could flow to the sewer line that we're putting in, or they could plan for a lift station wherever they may need. Others could participate in the sewer project. And the reason we're looking to a Public Improvement District is not everybody wants to do something with their property right now, but if they want to have access to connections, they would basically have a property tax come against their property instead of writing a check today, it would just come out as property taxes and paid overtime.

David Stirling - So, is this a PID?

Jared Westoff – Yes

Don Fawson - From what you said, would that be mandatory if you go near their property?

Jared Westoff – No, we would be bonding and putting our own property up so we would not be using State monies. And then we're not forcing anybody to be on sewer in town. If they have a perfectly good working septic, there's no reason. If somebody wanted to be, you know, we'll draw that annexation area and once we've formed those public improvement districts with the town, if somebody through the public process or any way becomes aware of it, and they want to be part of the sewer, they'll be treated no different than any other property owner.

Don Fawson - So do you have any kind of realistic date for when this might actually be happening?

Jared Westoff - We had a good work meeting with the Mayor and Council member Ron Cundick on Monday. And we're working with Piper Jeffries on the PID and starting to pull all that paperwork and maps together. Our hope, not knowing, we've never done a PID before but we're looking to Piper Jeffries as an expert in that to pull those documents together, but our target is to have work meetings and the resolutions and whatever that process is going with the town sometime in March.

Don Fawson - So beyond that I mean Working toward March and having the discussions and whatnot. So, just give us kind of a hypothetical when you think you might like to go to bed or something like that, do you have any idea?

Jared Westoff - It'd be summer. Summer to early fall. If we're building by the end of the year, we'll be happy. We'd like to build sooner but it just takes time.

Don Fawson – Yeah it does, we found that out.

Jared Westoff – So I think that's realistic. I think by the end of the year we would like to be under construction. If we can move sooner, we will. But the main thing I wanted to make sure that you guys were updated, and we'll update the Conservancy as well as we do not intend to use their line through town. There may be a small section from here to where you turned into the overpass or up into Silver Reef, that we could work together. But the rest from this corner South we don't see us using or working together on that line.

Don Fawson - That actually uncomplicates things, so yeah.

Jared Westoff - And if we use the public Improvement District, it allows us to. (a) make sure that we're not using State funds so that people who have working septic systems aren't required to hook on. We're really wanting to make sure we don't create a situation where somebody is forced to do something they don't need to do and then. (b) If we use a Public Improvement District instead of trying to figure out how we can use this line and make it a little high-pressure line, we're putting in sewer to actual Ash Creek standards that is more useful to the community as opposed to just linking a couple developments that are ready to go now. So, I think it's better community planning and a better process.

Kurt Allen - So you're looking at a gravity system through town then.

Jared Westoff – 3.2 miles is what we figure is gravity. And then from our project on the South, which is about where the Cattle Guard is. We have 19 acres there, that's where the lift station will go, and we'll pressure from there up over the hill.

Kurt Allen – That makes sense and that's great. I think that's a good idea to look into the future and make it so that the town could take advantage of it in the future.

Jared Westoff - Yeah, I mean, we're not at all saying we want to see people develop or do anything that they don't want to do but, would like to do it in a way that it's available when they get there. Any questions?

Board – No

Jared Westoff - The mayor would like to have a work meeting with the Conservancy District, LDWA, the landowners planning to participate on the front end, the engineers, and Piper Sandler. And so, he's hoping to just schedule it before one of the Town's regular meetings and so, we were going to check with the Conservancy ourselves and Ash Creek, they want Ash Creek there as well. And just see which one of their regularly scheduled meetings that we could take an hour before as part of a work meeting? So, as I line that up, who's the best person to communicate with to see if we have an LDWA, representative that can come?

Don Fawson - Check with me, I will make sure it's around my schedule.

Jared Westoff - We'll try to have it at one of the two meetings in February, that is our goal, thank you.

Don Fawson - Yeah, thank you appreciate it. Danielle do you have anything you wanted to bring from the town at all?

Danielle Stirling – No

Don Fawson - OK. You contacted some people from Stockton or something, did you have a chance to meet with them?

Danielle Stirling - I didn't get a chance to meet with them yet.

Don Fawson - I have put in a call to Park City. I've just kind of put that off and did that today and just left a message. So, we'll see if we can find out from there too. We're just trying to find out from areas that have had mine tailings and other things how they handled their water just to make sure that, if they have any suggestions or whatever that; these are things we don't need to worry about or these are things we should be worrying about, just to kind of get a better handle on what's going on. So, we appreciate you with those reports.

V. SHAREHOLDERS HEARING DISCUSSION [All Members]

DISCUSSION	DISCUSSION
	<u>None</u>

VI. MEETING ADJOURNED [All Members]

DISCUSSION	Request a Motion to Adjourn Meeting [Don Fawson]
VOTE	MOTION TO CALL THIS MEETING TO AN END: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

Don Fawson – Everyone, Thank You so much for being here.
ADJOURNMENT: [7:48 PM Don Fawson]

Layna Larsen



LDWA News Drips

Need to contact the LDWA,
it's simple.

Phone
(435) 879-0278

Please leave a message,
your call will be returned promptly.

- To report an **EMERGENCY** water leak or a loss of water **PRESS 1**
- For a **BILLING INQUIRY**, **PRESS 2**
- For a **GENERAL INQUIRY**, **PRESS 3**

Your message is immediately
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will be in contact.

Email
LDWAcorp@infowest.com



LDWA ANNUAL SHAREHOLDER MEETING

The Leeds Domestic Water Users Association (LDWA)
Annual Meeting will be on Tuesday, February 7, 2023 at 7:00 PM.

The meeting will be held at The Cosmopolitan Building,
1915 Wells Fargo Rd, in Silver Reef, UT 84746.

- WHAT TO EXPECT** :: Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.
- A valid photo ID is required to gain admission - Attendance at the meeting is limited to shareholders.
 - Regardless of the number of shares held, a Shareholder shall have only one vote. The affirmative vote of the majority of the shareholders represented at the meeting shall be the act of all shareholders. The vote upon any business before a meeting shall be by ballot. No proxy voting shall be allowed.
 - Agenda items include - the election of two directors for two-year terms; the presentation of the annual financials and other reports.



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Meeting
Reminder!



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MINUTES

DATE/TIME/LOCATION:	February 7, 2023 7:00PM The Cosmopolitan
TYPE OF MEETING:	LDWA ANNUAL SHAREHOLDERS MEETING
NOTE TAKER:	Layna Larsen
ATTENDEES:	<p>Board Members: Don Fawson (P), Doris McNally (T), Alan Cohn (M)</p> <p>Staff: Mark Osmer (Field Mgr) Layna Larsen (Corp sec)</p> <p>Guests: Riley Vane</p> <p>Shareholders: Dolan Anderson, Aaron Bateman, LoAnne Barnes, Sandi Bassett, Audry Beach, Keith, Blake, Rich Carnley, Brett Comas, Sonia Davis, Steve Dyroff, Don Fawson, Pauline Fawlkes, JRochelle Gardner, Curtis Graff, ack Gunn, Brian Hansen, Jay Harris, Tana Hayes, Bill Hoster, Sharon Johnson, Kim & Ann Jeppsen, Brant & Tiffany Jones, Steve Julian, Ken & Layna Larsen, Darryl Lewis, Kyle & Jennifer Lefler, Robert & Doris McNally, Peter Mills, Phillip Piene, Michelle Peot, Mary Pettit, Alan & Susan Roberts, Jetta Robinson, Angela Rohr, Susan Savage, Cathy Schmutz, Brandi Stevens, Belinda Stevens, Lyman Stirling, Robert Storoshka, Clayton Sullivan, Craig Sullivan, Holly Sullivan, Ned Sullivan, Bart Tanner, Robert Taylor, Kirk Walters, Jared Westoff, Stephen Wilson</p>

Agenda Topics

I. CALL TO ORDER

DISCUSSION	Meeting Call To Order	Don Fawson
<p>Welcome everyone to LDWA'S 2023 Annual Shareholder's Meeting, it is 7:05 P.M. The meeting is going to go as follows. We will have a prayer, Steve Wilson, would you mind offering that for us when that time comes? And then I've asked Alan to give the pledge and then he's also going to read the proof of postings. for the meeting and then I'll give a report. Mark will give his field operations report, Doris will give the financial report, and Riley from Jones and DeMille, our engineers will give the engineering report. And then at that point we'll open it up to questions, but we're going to close the questions down at no later than about 8:15 so that we can start voting at least by 8:30 so some people can get home and get to bed or get the children or whatever they need to do. And then during the time that the ballots are being counted, we'll go ahead and open it up for additional questions. If there are any. And then Finally, once the counting is done, we'll bring the meeting to a close. And anybody that still wants to ask questions can do so individually.</p>		

DISCUSSION	Roll Call	Don Fawson
Don Fawson (President), Doris McNally (IP), Alan Cohn (Member), Mark Osmer (Field Operations), Layna Larsen (Corporate Secretary)		


DISCUSSION	Prayer	Steve Wilson
DISCUSSION	Pledge of Allegiance	Alan Cohn
DISCUSSION	Proof of Meeting Notice	Alan Cohn

I am going to read the announcement for the proof of the meeting is in accordance with LDWA bylaws Article 3 meetings of the Shareholders Section 8 procedure proof of meeting; notice was delivered in the following manner:

On shareholder's December 2022 Invoices, produced and postmarked 01/02/2023, the following note was included on the back of the cards:

The Leeds Domestic Water Users Association (LDWA) Annual Meeting will be on Tuesday, February 7, 2023 at 7:00 PM.

The meeting will be held at The Cosmopolitan Building, 1915 Wells Fargo Rd, in Silver Reef, UT 84746.




LDWA News Drips

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LDWAcorp@infowest.com



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- Agenda items include - the election of two directors for two-year terms; the presentation of the annual financials and other reports.

On the same day (01/02/2023), this notice was also posted and the Meeting Agenda on the Leeds USPS Corkboard, and LDWA office front door. The notice was also posted on the LDWAcorp.org website and Facebook page for public notice (01/07/2023).

On shareholder's January 2023 Invoices, produced and postmarked 01/31/2023, a "Meeting Reminder" note was included on the back of the cards.

Satisfying the LDWA ByLaws ARTICLE III, Section 3. Notice of Meetings requirements.

On the reverse side of the invoices the New Drips Annual Meeting Notice was offered.




LDWA News Drips

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Meeting Reminder!

LDWA ANNUAL SHAREHOLDER MEETING

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DISCUSSION	BYLAWS	Don Fawson
Under the Bylaws Article 4 section 7 - A quorum is a majority of the number of directors. They shall constitute a quorum for the transaction of the business. David Stirling and Kurt Allen are both absent, they both had family emergencies that called them away. So, we do have a quorum at this time.		

II. APPROVAL OF MINUTES OF LAST ANNUAL MEETING

DISCUSSION	Call for Vote to Approve Last Annual Meeting Minutes	Don Fawson
I would like to ask for board approval of the agenda that was outlined, also the meeting minutes for last year.		
VOTE	MOTION TO APPROVE THE AGENDA FOR TONIGHTS MEETING AND THE FEB 1ST 2022 LDWA ANNUAL SHAREHOLDER MEETING MINUTES: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously	

DISCUSSION	In Case of Fire	Don Fawson
<p>INCASE OF FIRE – We have released the second door. and then there's the back door here, and I just kind of left it a little bit open, but they go the opposite of fire code. So basically, what happens if people panic, and the first couple get up there and they trip and the door slams. Everybody just piles up like cord wood. And that's happened in some schools, they've lost people as a result of that. And I'm not trying to create fear. I just want you to pay attention to that. So, if you're sitting by a door and for whatever reason, there's a need to leave in a hurry, then I'm just going to ask you to pull the door open and stand by it. Your kind of like the person on the airplane by the door out you help everyone else get out. We have spent time scripting what we are going to say to safe time and prevent us from duplicating what we are saying.</p>		
DISCUSSION	Thank You to Volunteers	Don Fawson
<p>First of all, I'd like to thank Layna Larsen, Susan Savage, Pauline Fawlkes and whoever else was helping up here with the registration. I'd also like to thank Ron Cundick and the Silver Reef Museum Foundation for the use of the Cosmopolitan, it's always appreciated. And I'd also like to thank each of you for your interest and concern in your water company. There's a lot going on nationally also in the State of Utah, there are a number of water bills going in the Legislature right now. We will try to keep you informed on what's happening locally.</p>		

III. BOARD MEMBER REPORTS

DISCUSSION	President's Report	Don Fawson
<p>We have spent a lot of time trying to script what we were going to say. The reason for that is to avoid redundancy and repetition and all of that kind of stuff and respecting your time.</p>		

DISCUSSION	LWC	Don Fawson
<p>David had indicated his willingness to run for a board position again. But since he must be in attendance to be a candidate, he is ineligible, and I just want to give special thanks to him for the hours he's devoted to LDWA and especially his service in bridging long standing distrust between LDWA and LWC (Leeds Irrigation Company). He was instrumental in working with the State Water Engineer to create a better understanding of our shared rights to the Quail Creek Spring. Along with the State Water engineer creating a schedule for water use based on total system or Quail Creek drainage flow. And quite frankly, this was a significant step forward toward a more synergistic working relationship between the two companies. And one that allows both companies to have confidence that each is being treated fairly and receiving their allocated spring share and it is critical right now for LDWA and LWC to work together harmoniously especially in times of drought, which we've experienced and thank the Lord, we have had snow and rain come through. It's just been a great thing to see.</p>		

DISCUSSION	Positive Working Relationships	Don Fawson
<p>We have made great strides this past couple of years to create a positive working relationship. As I mentioned with LWC, the leads water the irrigation company. And also, the Washington County Water Conservancy District and the Town. We feel this is essential to allow us to move forward in a symbiotic manner to not only support one another, but to decrease or eliminate the energy and financial drain contention brings. Lawyers are expensive. One of the things that we established and feel very confident in is that Washington County Water Conservancy District is not interested in taking over LDWA. They consider it to be a liability. It's just another financial and administrative thorn in their side and based on some of the meetings we've had with their engineers and whatnot, they've got plenty going on. We met numerous times with their director, engineers and board and they've all stated as such. LWC, Leeds Irrigation Company is interested in creating a positive and fair working relationship with LDWA.</p> <p>I would like to give you a little update on the projects that we're working on right now.</p>		

DISCUSSION	Well Upgrade	Don Fawson
<p>We are doing a Well upgrade on the existing Well. That Well was put in, in 1970 and at one time it actually collapsed. It was pretty unheard of to actually take a collapsed well even to get the pump and things out, but then also to redrill and bring it back up to standard, which we did, and we were able to recase it. So, at this time we're upgrading the pump, increasing the capacity, and also the motor, the piping, the control system, to increase flow and better control our ability to regulate the pump output. Right now, we do have something called a soft start which allows the pump to start up a little slower, but it still reaches its capacity of about 350 gallons a minute and we don't have any way of controlling that amount of flow. It's either up to that point or not. So, we're putting in a control system that will allow us to control not only the startup, but also the pump output. That'll do two things; (1) it will help prolong the life of the pump and (2) reduce the power consumption because Rocky Mountain Power bases your rate on the maximum amount you take at any moment. So, if we have this hard start where it just slams electricity to that and it starts up, then they take that level and they say, OK, at that level it's going to cost you so much a KWH all the way across the board, even if it drops off. So, what we're doing is just bringing it up slowly to whatever it takes to keep the pump running and then maintaining that which allows us to decrease the amount that we're spending on pump cost.</p>		

DISCUSSION	Pumphouse Upgrade	Don Fawson
<p>We are also looking at upgrading the pump house. A adding a propane driven generator as a backup in case of a power outage. You know that California and some of these other areas have had power outages and nothing says that we couldn't experience something like that, particularly in a dry time with a fire situation. And so this would allow us to continue to pump water even in those conditions and sometimes, I know at least in California, I don't know that they've actually done it here, but there have been times when they've just cut the power off because of the threat of fire. So, propane is a very stable fuel, you can keep it forever and it will not degrade, whereas diesel and gasoline, that's not the case. So that's our choice of fuel.</p>		

DISCUSSION	Chlorination System	Don Fawson
<p>Also, in order to make State standards, we have to put in a chlorination system. The one we have now the State kind of winks at it, so they're just saying, yeah, we're not going to come down, but you shouldn't be doing it the way you're doing it. So, anyway we're working with the engineers to come up with a system that meets the State standards and since we have a split system where we have a spring and we also have a pump and they're coming in at different directions we have to figure out how to put that together in such a way that it will take care of balancing that out?</p>		

DISCUSSION	Second Well	Don Fawson
<p>We are also drilling a second Well. And obviously the controls and pumping and whatnot as a backup to our existing well in case of pump failure or well collapse. And if we had some drastic failure like that, the chances are, particularly with supply chain issues and other things, that we could be in a world of hurt, particularly in the summertime when there's a great deal of water commanded. Also, alternating well usage on a predetermined schedule will assure that both pumps and wells are functioning as required to their maximum.</p>		

DISCUSSION	Overflow Valve to into LWC	Don Fawson
<p>We also plan to add a type of valve to dump overflow water back into the Quail Creek drainage. Right now, that's going into Grapevine Wash, which is a strict violation of state law. You cannot take water out of one drainage and dump it back into another one, it is illegal. So, we're hoping to be able to solve that issue.</p>		

DISCUSSION	Dugway Pipe	Don Fawson
<p>The lower section of Quail Creek Spring, the lower section of piping to Quail Creek Spring, our spring up the Canyon was replaced about 6 years ago. I don't know if all of you are familiar with the dugway pipe, going up toward Oak Grove where the road gets real narrow against the Cliff. A 6-inch pipe replace the 4-inch steel pipe up to that point. And we are looking to replace the remaining, it's about 5 miles of that steel pipe, which is 70 years old now. It will be from the Spring down to connect to the already upgraded 6-inch line of the Dugway.</p>		

DISCUSSION	Main Street	Don Fawson
<p>And we are working collaboratively with the Washington County Water Conservancy District to replace and upsize the 50-year-old line on West Main Street to current standards to meet current and future needs, including increased fire flow. I was going to bring up a sample of that pipe compared to the new pipe standards. But the wall thickness on a new standard pipe is about twice as thick as the old one, and I don't know whether the material has been increased in strength or not, but nonetheless it'll withstand a lot more abuse and problems.</p>		
<p>Also, the Washington County Water Conservancy District is also replacing their 14-inch water line. I don't know if you know, but they have a 14-inch water line going down through town. They had it coming from the Cottom wells up at Anderson Junction and they found the pipe that they had put in, it's a black plastic type pipe that they just Weld together, was degraded by chlorine. And so, we had some breaks in that pipe down through town. So, they had to shut that line down completely, it's inactive right now. And so, they're replacing it with a 24-inch steel pipe. They finished that pipe down to Babylon Wash just north of town a year or so ago and they're going to go ahead and pull that down through town. Probably in the next year. So, we thought we would work with them so that we can create a situation where we can dovetail off one another to reduce cost. By Riley working with their engineering firm, specking out what we'll need for our part of our line and combining that into one bid for materials. So, that we can hopefully reduce the price for both groups. Also, there should be some offsetting costs for trenching and traffic management and some of the other things that they're going to have to be done and if we did it separately, we'd have to wind up paying that twice.</p>		
<p>So, we're also looking at the East side of Main Street, in replacing the old pipe there. There are some new sections of the east side of Main Street, but there are some that are very old as well. And so, we're looking at replacing the parts of the line that are the oldest. Actually, this is a contingency project, which means that it's the last project we're going to be doing. We'll take that as far as the money will let us,</p>		

maybe we'll finish the whole thing and have some to do some other things too, but maybe we won't. It just depends on the cost of materials and labor and other things that go into it.

At this time, I'm going to turn some time over to Alan to review a couple of the developments that we're working with right now.

DISCUSSION	New Developments	Alan Cohn
<p>Currently there are two semi-active or active developments we're currently working with. The developers of Silver Eagle Estates located on top of the hill there behind the fire station. They're developing 14 lots. They've procured sufficient water rights and warranty deeded them to LDWA to meet our requirements. They are currently working with the engineers to complete drawings to meet our requirements for their water system.</p> <p>The other development is Silver Point. They are down near the old cemeteries, on the West side of I-15 on the flat between and around the old Catholic and Protestant cemeteries. Phase One will consist of 24 lots. They previously deeded sufficient water rights to LDWA to meet our requirements. We are still in discussion with this development. Stay tuned.</p>		

DISCUSSION	Field Operations	Mark Osmer
<p>Don Fawson - OK. Thank you. I'll turn some time over to Mark. And he's our amazing water operator and he's going to report on some of the projects that we did this last year.</p> <p>Mark Osmer – So, we passed all our monthly water tests last year. We submitted and passed the annual nitrates test.</p> <p>We did hydrant inspection and maintenance, completed hydrant flushing and flow testing, removed all the hydrant caps lubricated and put them all back. We relocated the hydrant at Valley and Center because it was down in a ditch and hard to get to. We replace the damaged hydrant that was run over at the end of Berry Lane, there was an accident and a car hit the hydrant, so we put a new one in.</p> <p>At the spring, we installed a new spring meter. We installed a new lid on the spring box, preventing contamination from LID removal, because you had to slide the old lid off and now it opens up on a hinge. We scoped the spring water line with the camera between the meter and the spring to see if there were any root growth, but there wasn't, it was nice and clean. We cleaned up the area surrounding the spring enclosure and then we had the youth group clean up the inside of the spring enclosure area. We met with LWC and the State Water Engineer to understand and clarify our spring well water rights.</p> <p>We sealed the well house, cleaned up inside, painted the floor for increasing sanitary conditions, repaired the well house roof. Worked with the fire department to clear trees from around the well house to provide a defensible space in case of wildland fire. We cleared the trees, they cut the trees down and shipped them, and we went in and cleaned all the stumps up and removed all those.</p> <p>We painted the old cement tank on Silver Reef Road.</p> <p>We lengthened an air vent on the Oak Grove tank as per state requirements.</p> <p>We relocated the S curve vault and PRV to eliminate Bonanza Flats PRV and consolidated it with Silver Reef PRV, so they are both on one pressure reducing valve. Removed the old dilapidated PRV structure and got rid of that and re-piped out to the Bonanza Flats.</p>		

We fabricated and installed new access ladders in all the vaults. We purchased the vault air extraction fan for safety.

And then we did general maintenance and repair of PRV's. We installed a crossover line and Valve on S. Main St. to improve water circulation, create redundancy, reduce shareholder inconvenience during needed line repairs in that area. We repaired the line on the West side of the Main Street throughout town, we had to replace a section of pipe, it was damaged.

We replace 10% of the dual check valves on the meters as required by the state.

Installed new service lines to new homes, completed general repairs on existing shareholder lines, and complete the major Main Street line repair.

We met with the USGS supervisor to understand their stream flow measuring system and how it is calibrated. We also met with Rocky Mountain power to determine line failure solutions.

Assisted in installing the flume meter monitors for shareholders.

Don Fawson – OK, thanks, mark. So, he has been kept pretty busy through the year. We really appreciate him all he does. Doris, I'm going to ask you to give the financial report.

DISCUSSION	Financial Report	Doris McNally
Shareholders, copies of the 2022 Financial Summary were available at the sign in table tonight.		
<u>INCOME REVIEW</u>		
Ordinary Operating & Other Income this year was: <u>\$278,242.89.</u> This income is derived from: water sold via active and standby taps, Infowest lease, account transfer fees, income for the DDW Loan #3F138, late fees, water connections for new homes, interest earnings, meter rentals, water sold for construction mitigation, theft of utilities, and reconnections.		
<u>EXPENSE REVIEW</u>		
There are 4 Major categories for Expenses.		
<u>Ordinary Operating Administration Expenses: \$20,586.47.</u> (This category YTD represents 7.48% of our expenses.) Expenses for training, insurances, memberships, certifications, licenses, consumable supplies, classes, computer systems, office rent, utilities, postage, mailing, association dues, legal, engineering, accounting services. 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.		
<u>Ordinary Operating Professional Services Expenses: \$12,327.95.</u> (This category YTD represents 4.48% of our expenses.) Expenses for our CPA Accounting & Tax Preparation, Engineering & Legal Processional services.		
<u>Ordinary Operating Field Expenses: \$146,038.38.</u> (This category YTD represents 53.07% of our expenses.) Expenses include equipment, pressure reducing valves (PRVs), valving, fire hydrant & maintenance, cross connection program, inventory, consumables & supplies, tools, security systems for		

infrastructure, safety equipment for field operations, BLM, US Forestry easements, blue stakes, asphalt, excavation, pump utilities, water rights maintenance (filing proofs, extensions, etc.), water testing, meters, barrels, sensors for digital metering of water use, and costs related to compliance with DDW/DEQ regulations. 35% (\$50,898.00) of these expenses were paid to the DDW #3F138 loan.

Ordinary Operating Payroll & Taxes: \$96,250.25
(This category YTD represents **34.97%** of our expenses.)

FINANCIAL ACCOUNT FUNDS AS OF JANUARY 31, 2023:

CHECKING ACCOUNT:	\$57,658.91
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$288,178.52
DDW LOAN #3F138 FUND	\$710.46
IMPACT FEE ACCT	\$41,042.77
SAVINGS ACCOUNT:	\$329,931.75

DISCUSSION	PayClix	Doris McNally
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In 2021 the LDWA introduced to its shareholders additional bill payment options through a service named PayClix.

Shareholders can now submit their payments online with e-check or credit card (Discover, MasterCard, or Visa) through this service. They can also make a payment over the phone.

We introduced this because we saw a trend in late fees being collected by the LDWA.

In talking with many who were paying these fees it became clear that offering some the ability to address their bills by placing them on their credit cards or establishing an automatic payment process connected with their credit cards would in many cases eliminate these situations.

In 2020 the LDWA's Late Fee income was **\$7,857.13**. In 2021, the year we implemented PayClix, late fee charges dropped to **\$3,275.88**.

That's a reduction of **58.3%**. In 2022 late fees charges have dropped to **\$2,990.53**.

In 2022 we processed 718 payment, **\$50,785.29 payments** through the PayClix service. To date 120 people Have used PayClix, that's just Shy of 30% shareholders.

We continue to investigate solutions that make sense for the LDWA to incorporate into it's business practices that bring value to our shareholders.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-22	33	\$2,149.28	13	\$641.94	46	\$2,791.22
Feb-22	30	\$1,574.26	19	\$1,047.57	49	\$2,621.83
Mar-22	33	\$1,961.13	20	\$846.85	53	\$2,807.98
Apr-22	34	\$1,547.00	16	\$1,068.23	50	\$2,615.23
May-22	33	\$1,510.34	21	\$1,434.03	54	\$2,944.37
Jun-22	41	\$2,653.92	19	\$1,303.09	60	\$3,957.01
Jul-22	46	\$3,561.35	22	\$1,828.03	68	\$5,389.38
Aug-22	45	\$3,081.90	24	\$4,593.35	69	\$7,675.25
Sep-22	22	\$1,295.27	17	\$1,256.22	39	\$2,551.49
Oct-22	72	\$4,384.68	27	\$5,088.28	99	\$9,472.96
Nov-22	37	\$1,716.18	21	\$1,433.33	58	\$3,149.51
Dec-22	46	\$2,786.00	27	\$2,023.06	73	\$4,809.06
	472	\$28,221.31	246	\$22,563.98	718	\$50,785.29

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DISCUSSION	Flume 2	Don Fawson
	<p>Don Fawson - the Flume 2 is a monitoring system. It's a receiver inside your house and a device that goes around your meter. It's about \$170 and I don't know how it does it, but it continually gives you information on your water usage, from the type of devices that you're using in the house, where you're using over what you normally use, it alarms you if in fact you have a leak or something going on so that you can get on top of it, because that can be very expensive very quickly. So, this is something that Doris has worked out a deal on, it's normally over \$200, but with the LDWA discount it is more like \$170.00.</p> <p>Doris McNally - The other thing is if you have an insurance policy on your House and you submit the remainder of the bill, nine times out of 10 they will pay it. Making the flume cost you nothing. So it's really something to look into. Mary, I know you have one and you like it.</p> <p>Mary Petite – I Love it,</p> <p>Doris McNally - So, if you have any interest in learning about it, feel free to talk to anybody in the water company. It's a good tool.</p> <p>Alan Cohn - Yeah, I have it on my house and I found an inadvertent very very slow trickle leak that was still costing me several 100 gallons a month. So. I've been able to track that down. It's definitely a worthwhile tool.</p>	

DISCUSSION	Administration Report	Riley Vane
	<p>Don Fawson - OK, I went over just a description of some of the projects that were major projects we're looking at working on. Riley Vane is with Jones and DeMille Engineering who is our engineering company. And I asked him just to kind of go over where we're actually at on each of these projects right now. So, Riley.</p> <p>Riley Vane - This is just a map. I didn't really prepare anything special. It's the same map that was actually up here when we originally discussed the projects.</p> <p>The first project, kind of the priority that we were tasked to focus on was the new Well. Where we're at with that, we've been working closely with the hydrogeologist, John Files and Cascade Water Resources to site where that might be. An instrumental part of that is testing the current Well. We know it's capacity of 350 gallons per minute, it only has four feet of drawdown which puts it as an exceptionally good Well, very, very good Well, very good performing. Part of this process is to upsize the pump, test it at a higher gallon per minute rate, 700 gallons per minute and see how close we can locate that new Well. Anzalone Pumps has been up there and they pulled the old pump and looked at it. We've inspected it to see if there's any type of corrosion and everything looks OK, so that's good to know. We have all of the equipment ordered and it's scheduled to be tested next weekend. By then we will know exactly how the Well is performing and how close we can locate that new Well and proceed with that design.</p> <p>As far as the well House we've designed the well House and the validating Chlorinators that we are going with that and the preliminary stages of that are making great progress.</p> <p>We've also began looking at the Oak Grove pipeline and looking where we can improve on that pipeline and the efficiencies of it. Right now, I'm working with Mark, there are several air valves and several</p>	

boxes that we'd like to eliminate as much as possible just to improve the efficiency of that line. We're also looking at upsizing it from a 4-inch steel pipe that was put in the ground 70 years ago. We also know from soils report that it's a very corrosive soil over there and steel and corrosive soil doesn't last long. This is also why this project has been bumped up in priority. So, we're upsizing that to a 6-inch, there's no reason not to, the material costs are pretty similar right now. Some of the efficiencies that we're looking at within that pipeline is moving it closer to the road, there's a few locations where it actually deviates from the road up to a couple 100 feet, we'd like to move that closer to the road so, it's easier to maintain, easier to keep an eye on to see when it's leaking. We'll also be looking at installing a few meters along that line to make sure we're tracking any water loss. Right now, there isn't a great way to monitor any loss within the overall pipeline. They have a meter up at the top, but nothing really at the bottom to show how much loss we're seeing. It's Seventy years old, we expect that there's some loss happening, so we want to improve on that efficiency.

As far as the Main Street pipelines, as Don mentioned that's still kind of a contingency project there on the east side. As part of our scope, we're going to design it and we'll see where the rest of the bids come in to see how much we can actually improve on that line. The board will have a complete design of that pipeline to implement whenever they have the funding or when Mark is available and not busy doing everything else.

We've been working closely with the Conservancy District and Civil Science their engineer to make sure that the pipeline going down Main Street on the West side is up to LDWA specifications, that it's setting us up in positive direction in the future, making the necessary connections across main St., to ensure that there's fire flow with critical structures. As part of the project that Don was able to secure, there's three hydrants that are going to be put in off of the Conservancy District pipeline which is excellent news. This is to provide redundant flow for the church, the town hall, and then the post office shopping center. These are some of the bigger buildings that we really had trouble making fire flow work. They came in and were able to provide that second source of fire suppression.

Schedule, we're moving forward, in spite of all of the difficulties with materials at the moment, we actually are moving forward with testing the Well, getting the necessary pump controller, which I'd say is miraculous that we were able to get that in such a short time. We were able to get one within a few weeks and by comparison St. George City has had the same one ordered since October, they still haven't received it. So, we have some great subconsultants working on that. We are currently formulating what these bid packages are going to look like, how we're going to break them up in a way that makes sense and saves LDWA the most amount of money by using design assist from contractors.

That's about it.

SHAREHOLDER COMMENTS

DISCUSSION	Comments	Shareholders
	<p>Don Fawson – Thank you Riley. So, we're going to open it up for some questions at this time, but I want to lay down some rules.</p> <ol style="list-style-type: none"> (1) Please wait to be recognized by me, just raise your hand if you would please. (2) Then come to the front or stand up so that people can hear you, speak loud please. (3) State your name. We need this for our minutes. (4) Then ask your question. (5) We ask you to please keep your questions to the point and relevant to our purpose here tonight, rather than it being a storytelling time. 	

- (6) We're giving each questioner an allotted 3 minutes just so that we can get to as many questions as possible.
- (7) Other shareholders will be given the opportunity to ask questions prior to a shareholder being given a second opportunity. It doesn't mean you can't have a second opportunity, but we'd like you to wait and give someone else a chance first.

And I wanted to say that it's natural and oft times healthy to have differing opinions. I don't know if any of you that are married have ever had a different opinion between your husband and wife, but. We ask that you expressed those opinions as opinions. Personal attacks are not appropriate. OK with that in mind, anyone have any questions?

Angela Rohr – I was under the impression that we were doing an 8 inch pipeline coming down from spring other than a 6-inch. Has that been changed, I mean obviously it has, but to the extent of, is it cost between the difference or is it something else?

Riley Vane – Tentatively, we are at about 30% design level on this. So, with the Oak Grove pipeline, you have a lot of slope changes that's happening within that and then you have these weir structures that we want to maintain because they actually work quite well. In combination with how that was set up, you really only have to go 8 inch, a couple 100 feet then it starts dropping off and you can get the same capacity out of 6-inch. We're still looking at it. I mean we definitely are not opposed to an 8-inch and at a certain level you have to look at what can the spring actually produce and if it makes sense to over engineer that pipeline or if we try to optimize it the best we can.

Michele Peot - It looks like the Engineering expenses seem low for this year because we did have Jones & DeMille come in and help with the loan.

Riley Vane - We donated our time got this funding package. Quick update, I don't think we mentioned the Division of Drinking Water State revolving fund, we were able to secure initially 7.5 million, which is a huge accomplishment, 48% of that being loan forgiveness, so it's the government's way of saying grant without saying grant, and that's a tremendous accomplishment. The remaining 4 million is to be financed for 40 years at 0% interest, a huge accomplishment. We actually went back after that when we figured out we could. You have to meet average water bills as part of the funding requirement, we figured out we could actually get a lower bill if we submitted for the remaining balance of the 2011 loan for which was 273,000 or 280,000 and it would bring the average water bill down that we have to meet and then saving about \$45,000 off of the that remaining sum. So that was a good thing.

Michele Peot – One other thing, I had a request when we do have elections that people that are interested in running that we have some kind of statements given in advance because this last year with a lot of turnover and it would be helpful if we had information and we were able to make a more informed vote and that people that wanted to run could maybe think about the reasons they wanted to run.

Don Fawson - So kind of give me an idea. So, what you'd like to do is have people announce ahead of time if they are interested.

Michele Peot – Yeah, write up a half page sheet or something and put it on the website, everybody can read it and then ask those candidates questions in advance, so it doesn't feel so rushed.

Don Fawson – That's not a bad suggestion. The challenge we have had in the past is getting people to run, so we try not to advertise what it actually entails. But anyway, that's really good. Thank you.

Alright, anyone else have questions? Well, this is going to be a short meeting. That's pretty disappointing actually. OK, well, if that's the case, then we'll move on to nominations for voting and let me just read this statement.

IV. ELECTIONS

DISCUSSION	Election Overview	Don Fawson
<p>ARTICLE IV, SECTION 2 of the BYLAWS STATES THE FOLLOWING “At each annual meeting, the shareholders shall elect Directors for terms of two (2) years, with an odd number 3 on even numbered years and an even number 2 on odd numbered years.”</p> <p>So, this is 2023 an odd number year, so we are electing two Board members to serve for the next two years. The two seats that are being vacated are – My seat and David Stirling’s seat. Do you want to read the qualifications for?</p>		

DISCUSSION	Nominee Qualification	
<p>Doris McNally – Based on The bylaws, ARTICLE IV, SECTION 2 the only qualification is that “All nominees shall be members in good standing with the Association.”</p>		

DISCUSSION	Nominee Expectations	Doris McNally
<p>But there are some expectations and considerations we'd like to review. It is the hope of the board that all nominees will seek the position for the purpose of serving the association at large, protecting the rights of each individual shareholder, and the ability for the LDWA to continue delivering the highest quality water in Southern Utah. If a nominee has other desires than these, our hope is that you withdraw your name from the consideration.</p>		

DISCUSSION	Nominee Considerations	Doris McNally
<p>Some of the things that the board is asking for is that you consider your commitment to the LDWA first and foremost, to your family responsibilities, your career; Do you need to travel a lot? Are you willing to get your hands dirty? Are you willing to take care of emergencies at any hours of the day or night? Are you willing to work as a member of a team? So that's kind of that level of it.</p>		

DISCUSSION	Estimation of Time Given in a Month	Doris McNally
<p>From a time, estimate, and I think a lot of people don't recognize how much time it actually takes to participate on these things. These projects take a lot of effort. There are many things that need to be done in normal daily operation by providing you, our shareholders, the service that you're getting. They range from the mail doing billing, thank you, Layna, the accounting, thank you, Jen, to any kind of involvement we're doing with the associations and keeping up with the water rights and legal aspects of the association. So, on average we feel that a nominee should be prepared to at least spend 10 hours a month with the LDWA doing activities and in many cases that's much more. So, Michelle, to your statement earlier, this is the expectations and I think that in last year what you saw was a lot of people didn't recognize how much volume and effort it takes to get involved in this. So, I think your idea is a good one.</p>		
<p>Don Fawson – Just in line with that We also found that life goes on, and things happen, and we recognize that. Sometimes it was not a matter of not recognizing what kind of time and effort it was going to take,</p>		

but actually having life get in the way of that. And I think we can all appreciate that that happens from time to time so, we wholly respect, people's need to change from time to time and we respect that totally. So, let me go over the voting procedure so. See if I've got.

DISCUSSION	Procedure for Vote	Don Fawson
	<ul style="list-style-type: none"> • Nominations will be taken from the floor. (please raise your hand to be recognized if you want to nominate a candidate) • Nominees must be present at the meeting and members in good standing. • If nominated the candidates will either accept or decline nomination. • Names of all eligible nominee's will be written on a board for all to see. • All nominee's will be given an opportunity to address the shareholders with a brief bio to talk about themselves and experience. • All nominee's will be assigned a number next to their name • We ask that you vote by the number and then their last name. • (You need to be here to vote & using numbers helps to verify you are) • Please do not disturb the counting in progress. • During the counting process the board will take additional questions if there are any. • The counters will deliver the vote tally to the Board. • The board will announce the vote to the shareholders. 	

DISCUSSION	Nominations from the Floor on Chalkboard	Layna Larsen
	<ul style="list-style-type: none"> • Don Fawson / Nominated by Aaron Bateman • Brant Jones / Nominated by Steve Wilson • Angela Rohr / Nominated by Cindy Neubauer 	

DISCUSSION	Call to Close Nominations	Don Fawson
	<ul style="list-style-type: none"> • Don Fawson / Nominated by Aaron Bateman • Brant Jones / Nominated by Steve Wilson • Angela Rohr / Nominated by Cindy Neubauer 	

DISCUSSION	Call to Close Nominations	Don Fawson
VOTE	MOTION TO CLOSE NOMINATIONS: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously	

DISCUSSION	Assignment of Alphanumeric to Nominee's	Layna Larsen
	#1 – Don Fawson #2 – Brant Jones #3 – Angela Rohr	

DISCUSSION	NOMINEE – Don Fawson	Don Fawson
	So, I am not going to say a lot. Those of you who come to the meeting either are positive or negative and all I can say is I've tried to do the best I can for the Water Company, and I'll continue to do so if I'm elected.	

DISCUSSION	NOMINEE – Brant Jones	Brant Jones
<p>I'm happy to serve. I have lived here over 30 years and my personal interest is; I drink water and shower and other than that, there's no selfish reason for this, I do like to serve. I think I got my 12 year award with the Fire Department serving with Don. EMT service for those 12 years while in service and training. Currently serve on the LWC, so I hope to maintain that relationship between the irrigation and the culinary water.</p>		

DISCUSSION	NOMINEE – Angela Rohr	Angela Rohr
<p>I am a 16-year resident here and during that time I've served on the water board for several years, and then I was eight years on town council. I love Leeds. I have always had a deep interest in water and our need for water. And the things that Doris said, we should be thinking about are things that I feel. Thank you.</p>		

DISCUSSION	SUMMARY	Don Fawson
<p>I think we've got two good candidates and I leave myself out of that. But anyway, go ahead and fill those ballots out.</p>		

DISCUSSION	REQUEST FOR 3 VOTE COUNTERS	Don Fawson
<p>ARTICLE IV, SECTION 2 STATES THE FOLLOWING “The President shall appoint three (3) judges from those present to rule on qualification of members, disputes, and to canvas the votes. The results of the voting will be announced immediately after tallying is completed, in the meeting.” “Voting shall be by secret ballot.”</p>		

DISCUSSION	COLLECTION & TABULATION OF RESULTS	Don Fawson
<p>The three (3) judges - Susan Savage, Pauline Fawkes, Keith Blake, will collect the ballots from the room. They will tabulate the votes, align on the count, and report the results to me. I will then share results with my fellow board members and announce the results. The newly elected board members will be given their oath of office upon meeting adjournment.</p> <p><u>Voted in for 2023 Board Members & Votes Tallied</u> Don Fawson – 46, Brant Jones – 44, Angela Rohr – 5,</p>		

V. ADJOURNMENT

DISCUSSION	Meeting Adjourned	Don Fawson
08:15 PM		
DISCUSSION	Administration of Oath of Office to the New Board Members	Layna Larsen
Brant Jones, Don Fawson		



Layna Larsen, Corporate Secretary



LDWA

Leeds Domestic Water Users Association



Leeds Domestic Water Users Association

will hold a Meeting of the Board of Directors

Wednesday, February 15, 2023, at 7 P.M. at Leeds Town Hall,

1) Call to Order

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2) Announcements

- a) Consent Agenda
 - i) Acknowledgement of meeting Notice
 - ii) Vote to Approve This Meeting's Agenda
 - iii) Vote to Approve Previous Meeting Minutes

3) Officer Reports

- a) President's Report – [Don Fawson](#)
- b) Operations (Field) Report – [Mark Osmer](#)
- c) Finance Report – [Doris McNally](#)
- d) Administration Report – [Kurt Allen / Don Fawson](#)
 - i) Update on Future Projects
 - ii) Silver Point Estates – Request for Will Serve Letter

4) Shareholders Comments:

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person).

5) Roll Call Vote to close meeting



Leeds Domestic Water Users Association (LDWA)

545 N Main St Suite #7 | PO Box 460627 | Leeds, UT 84746

Phone: (435) 879-0278 | E-Mail: LDWAcorp@infowest.com | Web: ldwacorp.org



Minutes

Date/Time/Location:	February 15, 2023	7:00PM	Leeds Town Hall
Type of Meeting:	Board of Directors Meeting		
Note Taker:	Layna Larsen		
Attendees:	Board Members: Kurt Allen (VP), Doris McNally (IT), Brant Jones (M) Staff: Mark Osmer (Field Mgr), Layna Larsen (Corp Sec.) Guests: Josh Wagstaff Shareholders: Terry Allen, Susan Savage, Chris & Sidney Bevan		

Agenda Topics

I. CALL TO ORDER [KURT ALLEN - @ 7:00 PM]

CALL TO ORDER	We'd like to welcome everybody here to Board Meeting, it is the 15th of February 2023. I'd like to call for a roll call of the Board members that are present. We'd like to excuse our President, Don Fawson tonight he's away attending a funeral and Alan Cohn for family matters.
ROLL CALL	Present: Kurt Allen (VP), Doris McNally (IT), Brant Jones (M)

II. PRAYER [Brant Jones]

III. PLEDGE [Josh Wagstaff]

IV. CONSENT AGENDA, PRIOR MEETING'S MINUTES & POLICY APPROVAL/VOTES [Don Fawson]

DISCUSSION	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE TONIGHT'S AGENDA: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously

IV. OFFICERS REPORTS [All Members]

a) PRESIDENT'S REPORT [offered by Kurt Allen]

DISCUSSION	ANNUAL SHAREHOLDER MEETING MINUTES
<p>Kurt Allen - We've got an item of business that needs to be taken care of for housekeeping. Typically, over the years after the Annual Shareholder's Meeting the minutes have not been reviewed and approved until the following year. This has typically been the procedure and it just doesn't do any good for the Minutes of the shareholder meeting to be off the record for a whole year and then put them on thinking that it's going to do some good. So, the Board has talked about this, and we feel that we need to change that and get the</p>	

February Shareholder’s Meeting minutes reviewed and approved at the March Board meeting. Then we can post them on the website and have those minutes available to Shareholders just like we do every other Board Meeting minutes. So, I'd like to receive a motion from one of the Board Members to take this action to review the Annual Shareholder’s Meeting minutes so the shareholders can review them within 60 days of the Annural meeting.

Doris McNally – In reviewing this situation historically, many associations had the minutes of their annual membership meetings approved by the members at the next year's annual meeting. The LDWA has done this for as far back as we have minutes on file. However, this is problematic as it really doesn’t allow the shareholders the ability to review the info in a timely manner. According to Robert's Rules of Order this was a common conundrum for Associations. Under Robert's Rules of Order, minutes that do not come up for review quarterly, may be approved by the board. Since annual meetings are annual not quarterly, the board can approve the minutes. "Minutes of one annual meeting should not be held for action until the next meeting a year later." (Robert's Rules, 11th ed., p. 95.) They can be approved by the board of directors or executive board. (Robert's Rules, 11th ed., pp. 474-475.)" So that being said I make a motion for the. . . .

VOTE	<p>MOTION: Brant Jones: I move that the LWDA Board to adopt Robert's Rules as it relates to reviewing & approving our Annual Meeting Minutes within 60 days of the Annual Meeting </p> <p>SECOND: Kurt Allen</p> <p>MOTION APPROVED: Unanimously</p>
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b) FIELD OPERATION’S REPORT [Mark Osmer, Brant Jones]

DISCUSSION	QUALITY WATER TESTS
	<p>Kurt Allen - Alright, we would like to ask Mark to give us a field report now, if you wouldn't mind coming up to the mic and give us your report. There's been a lot going on in your world.</p> <p>Mark Osmer – Yeah, so we've passed our BacT tests again this month. We've been working up at the Well house. We got a new soft start controller installed for the new pump. The electrician came up today, wired it all in, so it's all ready to go. We're just waiting for the pump guys to come and install the new pump, motor and pipe in the well. They were going to do it this weekend, but something came up and they won't be able to come here until the early part of next week. I've just been doing general maintenance on the system. I've got a couple of leaks I'm working on. That’s about it.</p> <p>Kurt Allen – So, tell us about the clearing around the Well.</p> <p>Mark Osmer - We cleared all around the Well, a radius of about 100 feet right around the Well, including all the trees, leveled it all out so we can get trucks in there to work and for a fire barrier as well. In addition the fire department is going to talk to the BLM about the road to the well. They were going to see whether they could clear 40 feet on each side of that road to create another fire barrier as well, which would be good. I haven't heard back from them yet.</p> <p>Mark Osmer – We also put a new gravel surface on the road, we just have to finish a little bit more so it'll be a nice clean gravel road all the way from the tanks up to the well.</p> <p>Kurt Allen - That's great. So, it's been a lot of work.</p> <p>Mark Osmer - Yeah, it'll be better, we are going to have a lot of people coming in and out of there. We're going to build a new Well house and, drill a new well, and so there's going to be a bunch of people coming in and out. It was super muddy before so now it’s a nice road we can use to get in and out.</p>

Kurt Allen - It's wonderful, appreciate your hard work.

Mark Osmer - OK. Appreciate you guys. Thank you.

DISCUSSION

CAMERAS

Doris McNally – We have some extra cameras for security and what I'd love to do is have one of the camera poles moved so we can mount a camera so we can actually monitor that area including time lapse video and things like that. It would be good to see and record the progress and then be able to report on progress. Mark and I talked about that so, I'd like to see if he can do that as soon as possible so we can start to capture from the beginning of the project all the way through. So, it's assets we already have, he just has to do it.

Mark Osmer - They just need moving around so they give a better view of the whole site. The only thing we need is to get some more wire from infowest if they're going to be they're going to be further out.

Kurt Allen - OK, great, we are all in favor of that. Move forward with that. Thank you.

Mark Osmer - OK, thank you.

DISCUSSION

LWC UPDATE

Kurt Allen - OK. We will now have a report from Brant Jones on LWC. They've been busy also. There's been a lot getting done.

Brant Jones - Just so everybody understands the LWC (Leeds Water Company) is the company that does the irrigation water that comes down from the same source as the Spring. It provides water shares for everybody that does agriculture in Leeds. I also serve on the LWC Board and thought it would be a good idea to have that liaison position. David established that. So, it's always been a good idea for us to work together because we're all using the same water source and I really appreciate LDWA and all they've done to mend that relationship and get it working again.

We've had a lot of projects too that probably don't need to be presented tonight other than just clean up and maintenance of PRV valves for the irrigation company.


One thing that does pertain to this meeting is the meter, the main meter that is going to regulate or give us the readings for all irrigation water coming down to town has been installed. It hasn't been operating because there's no water in the line right now. We're still working on a couple of other projects. There's a sand trap that eliminates the sand from coming down through everybody's sprinklers and we've been working on cleaning that and doing some other repairs. But the water will hit that line soon and then the meter will be recording LWC usage.


The other thing that does pertain to the two companies is there's a legal agreement that's kind of outdated that we've been working on. Both companies Boards have reviewed that and it's been submitted to attorneys at this point, water law attorneys and after that has been reviewed then we will move forward and just stabilize that relationship in a legal fashion, which will hopefully make it better for the future. One thing we would like to do too is go back to the State Water Engineer in Cedar City for the represents the State of Utah for the Division of Drinking Water present that to him, he gets to see quite a few of those agreements and would like his opinion just to be sure that we're on the right track, because we know the State of Utah owns all the water.

Then two interesting things happening here in Leeds. There's the LDWA that owns water and sells taps and then the LWC is a water company that sells irrigation shares. There are also people in the Town of Leeds that are not part of the LWC that also own irrigation shares from the same source, and so that's why we think the engineer from the State should be involved in the review.

Kurt Allen – That's very good Brant. It's our intent as the LDWA Board to continue this positive relationship with the Leeds Water Company so that the water rights that we both share from the Spring can be dealt with fairly, and legally, and make sure that both the culinary and irrigation water needs are addressed properly.

c) FINANCIAL REPORT [Doris McNally]

DISCUSSION	BILLING
<p>Billing for January was completed and mailed on January 31st. On the reverse side of the bill, the New Drips Article was an Annual Meeting Notice Reminder.</p> <p>Satisfying the LDWA ByLaws ARTICLE III, Section 3. Notice of Meetings requirements</p> <p>Copies of this were also posted on the cork boards inside and outside the Leeds Post Office w/an Agenda Notice for the meeting.</p>	 <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p> <ul style="list-style-type: none"> • To report an EMERGENCY water leak or a loss of water PRESS 1 • For a BILLING INQUIRY, PRESS 2 • For a GENERAL INQUIRY, PRESS 3 <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p>



LDWA ANNUAL SHAREHOLDER MEETING

The Leeds Domestic Water Users Association Annual Meeting will be on
Tuesday, February 7, 2023 at 7:00 PM.

The meeting will be held at
The Cosmopolitan Building,
1915 Wells Fargo Rd
Silver Reef, UT 84746.

Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.

DISCUSSION	PAYCLIX																																																																																																								
<p>In January 65 shareholders paid their bills using this payment option.</p> <p>The total amount collected through PayClix was \$3,491.95. With 59% paid via credit cards & 41% via echecks.</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Credit Cards</th> <th colspan="2">Electronic Checks</th> <th colspan="2">PayClix®</th> </tr> <tr> <th>Count</th> <th>Credit Cards</th> <th>Count</th> <th>eCHECK</th> <th>Count</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr><td>Jan-23</td><td>39</td><td>\$2,042.98</td><td>26</td><td>\$1,448.97</td><td>65</td><td>\$3,491.95</td></tr> <tr><td>Feb-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Mar-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Apr-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>May-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Jun-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Jul-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Aug-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Sep-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Oct-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Nov-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr><td>Dec-23</td><td></td><td></td><td></td><td></td><td></td><td>\$0.00</td></tr> <tr style="font-weight: bold;"> <td></td> <td>39</td> <td>\$2,042.98</td> <td>26</td> <td>\$1,448.97</td> <td>65</td> <td>\$3,491.95</td> </tr> </tbody> </table>		Credit Cards		Electronic Checks		PayClix®		Count	Credit Cards	Count	eCHECK	Count	TOTAL	Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95	Feb-23						\$0.00	Mar-23						\$0.00	Apr-23						\$0.00	May-23						\$0.00	Jun-23						\$0.00	Jul-23						\$0.00	Aug-23						\$0.00	Sep-23						\$0.00	Oct-23						\$0.00	Nov-23						\$0.00	Dec-23						\$0.00		39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
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DISCUSSION	FINANCE
<p>January's Total Net Ordinary Income was \$22,157.81</p> <p>There are 4 Major categories for Expenses:</p> <ol style="list-style-type: none"> 1) <u>Ordinary Field Operating Expenses: \$7,066.51</u> This category YTD represents 34.5% of our expenses. 2) <u>Ordinary Admin Operating Expenses: \$1,943.12</u> This category YTD represents 9.5% of our expenses. 3) <u>Professional Operating Expenses: \$4,644.78</u> This category YTD represents 22.7% of our expenses. 	

4) Labor Expenses: **\$6,852.22**

This category YTD represents 33.4% of our expenses.

CHECKING ACCOUNT:	\$46,644.38
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$288,178.52
DDW LOAN #3F138 FUND	\$710.46
IMPACT FEE ACCT	\$41,042.77
SAVINGS ACCOUNT:	\$329,931.75

d) ADMINISTRATION REPORT [Kurt Allen]

DISCUSSION	PROJECTS
	<p>Kurt Allen - Let me take just a few moments on our projects and talk a little bit about the Water Conservancy District (WCWCD). A couple of months ago in December, Don and I went to the Water Conservancy District Board meeting, and we requested some financial assistance from the Water Conservancy District towards the project that we're doing with them on the West side of Main Street. Our reason for asking for some assistance from them was because of the taxes that our citizens have paid into the Conservancy District over the years. We felt like they were obligated to return some of that money to us since we've been paying taxes to the Conservancy and haven't been able to get much benefit from the Conservancy District because they're not involved in our water system. We asked them for \$500,000 and the Board didn't turn us down. They reconsidered it the next month and they are not in support of helping to fund LDWA with the project and the installation of the project but can help defray the cost of some of the contracting for the installation, like traffic control, trench widening, things like that, that they could easily help to mitigate a share of the project. They're willing to help us out on some of that, but they stopped short of committing a cash commitment to us and understandably so. The WCWCD Board has got to answer to a lot of towns within the county and to give a cash commitment to one community would open the door for other issues and other communities wanting the same consideration. So, with that said, we do have a verbal commitment, for what it's worth, for them to help us with our share of the project on the West side of Main Street. Maybe for some of you that don't know what the projects are, let me just do a quick review.</p>

DISCUSSION	WEST MAIN STREET
	<p>Kurt Allen – The Conservancy District is putting a 24-inch pipeline all the way through town, from Harrisburg, all the way up to Anderson Junction and LDWA has partnered with the Conservancy District to replace our old pipeline in their same trench under the same contract. We are installing a 10-inch pipeline for LDWA alongside theirs, all the way from the South end of town by the South interchange, all the way to the North interchange. The Conservancy District has agreed to do that, and they've been working positively with us on engineering. They have bid out the materials already, so we know what our material cost is at this point. Which is nearly \$500,000 for materials alone. We're anxious to get the contract bid out with the Conservancy and they're planning on a March/April timeframe to bid the main contract out and to have the contractor in place for installation. So, that project is moving right along. The engineers are busy working on that and the Conservancy District and their engineers have been wonderful to work with keeping us involved in the project progress. It's been a great relationship. OK, so the actual project won't start with the Conservancy District until August or September time frame because materials aren't available. That's the lead time that materials are having right now. The material suppliers have committed to an August delivery for materials, so you won't see that project starting until this fall.</p>

DISCUSSION	NEW WELL
<p>Kurt Allen - We've already talked a little bit about the well. The Well is the top priority for the Board. As Mark has reported we've removed the motor and the pump out of the existing Well. We have received the new larger motor, more horsepower, and larger pump which is ready to go back in. We have got the variable start equipment installed and the electrician was there today and wired it up. Next week we'll drop the bigger motor and bowls (pump) into the Well and we'll start the test pumping. The test pumping will take place so that we know what strength we have in our aquifer. Currently, with the old well, we were drawing about 350 gallons a minute, with only a 4-foot of draw-down once we start pumping, which is excellent. We're anticipating that the aquifer is actually a much more capable aquifer. We're going to test pump it and see what capacity it can support. If it's capable of handling the larger motor and pump it will put out about 700 gallons a minute. At that point, we would likely drill a second well nearby. This of course is totally up to the geological or the hydrological engineer to determine the well site for this second well. He will pick the best site depending on what the test pumping reveals. Once the best site is determined, we will go right into drilling the second Well and getting that redundant Well in place. So, the well project is underway and looking good.</p>	

DISCUSSION	OAK GROVE SPRING LINE
<p>Kurt Allen - The other portion of our projects is the new Spring line coming down from the Oak Grove Spring. It's about 5 miles of new pipeline. Right now, it's in the permitting stage because it's going across Forest Service and BLM land. Jones and DeMille Engineering is trying to get all of our environmental studies done, get our permits in place and at the same time, get the design done. The survey work is being done so that we can have the design in place about the same time permits are in place and then we will immediately go right into the procurement stage of selecting a contractor and get that project going. (The snow levels have slowed the survey.)</p>	

DISCUSSION	EAST MAIN ST.
<p>Kurt Allen - Along with that project will be the East side Main Street pipeline. We intend on installing an 8-inch pipeline down the West side of Main Street, which will replace the existing 6-inch sections of pipeline. This will be bid with the Oak Grove Spring Line as the same contract. These two projects will be done in conjunction with each other. So, we're anticipating that the bid process will probably take place at the end of 2023 and the contractor would be selected early 2024 and that project would take place during the summer of 2024. If, in fact, the permits come through a little bit quicker than maybe we can get going this fall, but a safe schedule would be the year of 2024 for that project. So, all in all it's a \$7.8 million dollar project altogether and we're moving forward with the Division of Drinking Water (DDW) with the funding and taking care of the paperwork and everything that's taking place there.</p>	

DISCUSSION	LDWA RATE INCREASE
<p>Kurt Allen - OK, For the past 10 months or so, since we've got this Division of Drinking Water funding package, we've been addressing the fee schedules that go along with that to pay for that funding. The fee schedules have been reviewed, presented, we've held the public hearings, and the schedule has been discussed and rediscussed several times. The final fee schedule has been accepted to be implemented I will accept a motion from somebody to implement the approved fee schedule beginning with the April 2023 billing. So that being said I make a motion for the. . . .</p>	

VOTE	<p>MOTION: Doris McNally: THAT WE IMPLEMENT THE FEE SCHEDULES DISCUSSED IN THE PUBLIC MEETING IN SUPPORT OF THE NEW PROJECTS UNDERWAY BEGINNING WITH THE APRIL 2023 BILLING: SECOND: Brant Jones</p> <p>MOTION APPROVED: Unanimously</p>
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Kurt Allen - Kurt Allen – OK, so we'll see that beginning in April. I'd like to turn some time over to Josh Wagstaff to come up and present his material. He is representing Silver Point Estates.

Josh Wagstaff – So, we've been in here a few times, and I think we have everything dialed in now. We know, obviously, The State signed off on the cleanup and we have strenuous clean up ahead as we continue to develop and so we're just still looking for the “Will Serve Letter” for that. Unfortunately, Don's out of town today. I didn't know, if you guys still have all your questions answered now. I know last time Don had one as far as the certificate of completion which we emailed over their response from Rich White and the State that it's a “No Further Action Letter” for this project. So, it is ready to go as far as the State Cleanup is concerned.

Kurt Allen - I'd like to clarify one thing to that and within that letter it talks about the continued mitigation that will take place throughout the course of the project that will hopefully result in some kind of a certification at the end of the project, but until the construction project is completed, the mitigation of the environmental cleanup process is continuing on through construction and so, at this point it might be a no action letter, but the requirements in the environmental cleanup processes is that the cleanup continues through the construction process. Right.

Josh Wagstaff - Yeah, definitely, we still have inspections even though it's not under construction now, The State still has inspections on it and as soon as we start construction, there will be, significant inspections still.

Kurt Allen - Questions.

Brant Jones – Just because I am new to it, how many taps does this concern?

Josh Wagstaff - So the first phase is like 44, total it's 105 and we've already decided that water over to LDWA and we have an existing Will Serve Letter, we're just trying to get an updated Will Serve Letter.

Doris McNally – The first phase is 44? I believe it's 22.

Kurt Allen - I thought it was 27.

Josh Wagstaff - Maybe the first one is 27, let me look. We have 44 in phase one and two.

Doris McNally - Yeah, that sounds more like it, yeah, that's a big jump, that's why I was asking

Josh Wagstaff - 27 in the first phase.

Doris McNally - I have a very transparent question. The people who are going to be purchasing in the area, are they going to be aware of the past situation?

Josh Wagstaff - It's already recorded on title. There's already a recording on title, so every homeowner will get the disclosures for it, and it'll be on every title indefinitely.

Doris McNally - Are you planning on running it as a HOA?

Josh Wagstaff – Yes

Doris McNally - So, it will also be put into the HOA as an acknowledgment of it.

Josh Wagstaff – Yes

Brant Jones - How big are the lots?

Josh Wagstaff - They're about one acre lots.

Brant Jones – Are they planning zero scape, or lawn?

Josh Wagstaff - I know there are some plans in the agreement for the landscaping. I'd have to dig into those again, I can e-mail that section of the agreement to you.

Doris McNally – My last understanding of it is that it wasn't allowed to be and below grade structure and landscaping was to be zero scape because you can't dig into the ground, you can't do any gardening.

Josh Wagstaff - Yeah, I know it's very, very minimal, but I can send you the exact wording on what the landscape requirements are.

Doris McNally - And we're still talking about having either RPs and or a separate well, and that's going to be decided later on.

Kurt Allen - That's correct, the RP's have been on the table and that's one thing the Board is requesting from you as the developer to install the RP's at your connection locations which there are two locations. And we're pretty unified on that and feel like that needs to be done.

Josh Wagstaff – Yeah, and we're willing to look into that with the engineer and make sure that it's feasible with the new water study and everything. We just need an agreement with the Will Serve Letter, where it's a new requirement to be able to help offset impact fees or some way to help pay for that. But we're willing to do that. We just need to make sure on the Will Serve Letter that we have an agreement that if it does work with the water model that we'll do it.

Doris McNally - We just want to make sure that the water quality is safe, not only for the people who are going to be there, but also for the fellow town members that are around. So that is the purpose of my questions. That's all I care about is to make sure that the water that goes in either is good for the people who are there today, tomorrow and 10 years from now, and also for our existing shareholders in our Town. You know, that's why I'm questioning the RP and I had a question about how you were communicating to the potential property owners the status of the property in the past. Washington County Recorded property records & HOA documentation.

Josh Wagstaff – It'll be both,

Doris McNally – OK, thank you.

Josh Wagstaff - And then one other thing that we would just request for you guys to review the impact fees, you know the connection fees and stuff, because LDWA is significantly higher than most other like cities in southern Utah and so your connection and impact fees are high. So, if you guys could review those and compare them to what Pro Value Engineering did their study in 2017 would be great too.

Doris McNally – Pro Value actually did our study; they are the ones who recommended that we raise them. They worked with Mark and they actually gave us the numbers that are in our impact fees. That was Karl Rasmussen in 2021.

Josh Wagstaff - Oh, I think the one I had was 2017.

Doris McNally – Yes, big difference, impact fees shifted significantly.

Josh Wagstaff - I guess my only other question is with, Don being out of Town, when would be a time that we could work on this again, so we're not trying to push it out for an additional month.

Kurt Allen - Well, it's my opinion and I need the Board's input on this, that because we don't have a Full Board here and because we're still trying to tie up the loose ends on the wording in the in the Will Serve Letter, and actually need some legal advice on some of that, I propose that we table this Will Serve Letter and not have any action on it tonight, and then we would have to come together at a future scheduled time, and we don't know what time or what day that's going to be at this point.

Josh Wagstaff – Ok, I don't know if you guys have a work session or something that we could work out a time.

Doris McNally - We could look into it, we also have a new member, so we also need to bring all the Members up to speed with everything that's going on so bear with us, we are moving forward, we are looking at it.

Josh Wagstaff - I appreciate that. If we have another time before a month that'd be great, but I understand you have a lot of schedules to coordinate and everything to.

Kurt Allen – Be assured that we're keeping this right at the top of our priorities and were wanting to find a resolution to this and work something out on this Will Serve Letter. But we do have a new Board Member that we need to bring up to speed and we need to have a discussion on this and deal with this in another Board Meeting. We will Try to take care of it as quickly as possible.

Josh Wagstaff - Any other questions for me?

Doris McNally - And the conversations with Town continue?

Josh Wagstaff - Yeah,

Doris McNally – Good, OK.

Josh Wagstaff - And then kind of a side note on the sewer, we are still working with all the different entities on it, you know, working with future development and existing homes having to connect with future development as they tie into sewer. So, were still in the works on that project.

Kurt Allen - So you've got a meeting with the Town on the 22nd of February.

Josh Wagstaff - Yeah, at 6 O'clock, before the City Council meeting

Kurt Allen - OK, so the 22nd of February at 6:00 o'clock they will be holding a sewer meeting here with the town, the Water Conservancy District will have a representative here, Ash Creek will have a representative of course, The Town Mayor and Council will be represented, LDWA is going to be represented there, and so it would be advantages for you to attend and hear what's going on with the sewer. I'll accept a motion to table this discussion until further.

VOTE	MOTION TO TABLE SILVER POINT ESTATES WILL SERVE LETTER: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously
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Kurt Allen - Let me report on Silver Eagle Estates just real quick for the record. The offsite engineering has been completed for their water. And Susan (Savage), this is where your question comes in. Their offsite engineering requires that the PRV that's on your property be removed from your property and moved down on Main Street North of the Fire Station and installed on North Main Street and then a new PRV be placed over on Wonder Lane at the end of the asphalt there. They would both work together at the same pressure ratings. Both PRV's would be set at the same pressure rating so that all of the service connections from those points into Town are controlled by those two PRV's and so that the existing system pressure wouldn't change. The pressure wouldn't increase. And then, Silver Eagle Estates will have to run a new 8 inch line up Main Street and come in on the upstream side of that PRV that's installed on Main Street so that they pick up their water at the higher pressure zone above the PRV. That higher pressure zone would transport water down Main Street up Majestic Mountain Drive, up over their hill into their project and it's going to produce about 177 PSI at the bottom of their road where it connects into Main Street. That's why it has to be separate from our system. We can't have that kind of pressure in our system going into the residential homes and services. It will be an isolated water transmission pipeline with no residential services connected to it. That dedicated line will deliver water to their project in order to supply the fire flow at the fire hydrants on their project. It would also supply the water necessary for their homes at the appropriate pressure. Silver Eagle has indicated that they're going to be installing 2-inch water services to each of the lots because they're putting fire sprinkler protection in each of the homes. This also provides the fire flow necessary for them to have the fire sprinklers in their homes as well as the flow at each fire hydrant of 1500 gallons a minute. So, it's quite a large expense to them, but is required. They have done a good job of pulling the engineering together and presenting that to us. We're currently in the process of reviewing that for approval. At this point it hasn't been approved and accepted, but it's close. So, any questions on that?

Susan Savage - I guess I'm a little confused about that. Some of it, because there are probably maybe two Town Council Meetings that I've missed. In the last several years as they went through the Silver Eagle Estate plan, it went from a lot of homes down to, maybe this is partly from the sewer study, but it went down to 14 homes. 14 that's where it ended, because the water that they were bringing into LDWA was 12-acre feet and I think LDWA requires as planned one acre foot per home. But they could do 14 homes because if you use less than an acre foot and you didn't do any outside watering then you could get those two extra homes in with less water. I've never heard anything different than 14 homes up there.

Kurt Allen - You're correct, you can do less water with the .89 allocation that we're required to give each home. But they brought 14-acre feet of water into the company.

Susan Savage – That's not enough for a hundred homes.

Doris McNally – They are only doing 14.

Susan Savage - What was he just saying?

Doris McNally – This gentleman? That's Silver Point Estates. That's the one down by the cemeteries.

Susan Savage – So, that's a whole different thing?

Doris McNally - Yes, this one is Silver Eagle, which is up the road to nowhere.

Kurt Allen – Yes, this is Silver Eagle up on the hill, and it's 14 homes. Silver Point is the one Josh represents.

Doris McNally - And the first phase of Josh's, it's actually only 22 or 27 it's not 100. There's Silver Point Estates phase one and phase two.

Susan Savage - Its Silver Eagle up on the hill, Ok, I thought that's what we were talking about. Where did the water come from for Silver Point Estates? Because that's a lot of water.

Kurt Allen – They brought in a 105-acre feet of water and transferred it into LDWA.

Doris McNally - A number of years ago.

Susan Savage - Do we know where that was?

Doris McNally - I probably have it in the records of the water rights. It's probably in the water rights records. I'll e-mail you the change orders. I know you know how to use the system and then you can look and see where they came from.

Susan Savage – OK, Thank you.

Kurt Allen – Thank you Susan, we appreciate you watching over our water rights and our interests, Susan, you're very good at doing that.

e) SHAREHOLDER COMMENTS

DISCUSSION	PROJECTS
Chris Bevan - This might be a dumb question but, you're putting in an 8-inch line and you're also putting in a 10-inch line so, how are they separated from each other?	
Kurt Allen - They're not. They'll be connected together and so you'll have two lines servicing the South end of town from the North end of town, and that'll create the capacity that will service the South end of Town.	
Chris Bevan – How come you're doing 2 lines.	
Kurt Allen - We've got two lines, currently, two 6-inch lines, one on each side of Main Street. We don't want to lose that right of way in the U-dot right of way and we need the extra capacity at the South end of Town for sufficient fire flow, to allow us to isolate smaller sections of the water system in case of breaks or maintenance and for possible development,.	
Chris Bevan – I just couldn't figure out if you were having two lines, why not one big line.	
Kurt Allen - That's correct it is redundancy and it just increases our capacity, and we don't want to lose our right of way through there.	
Susan Savage - Isn't it also important to loop the system? Isn't that part of the reason?	
Kurt Allen – Yes, and that's what that does it loops the system.	
Susan Savage – I had a couple of other questions. You want me to do them while I'm up here?	

Kurt Allen – Yes, let's do it.

Susan Savage - Some time ago, maybe a couple of years ago when the new board came in, it was mentioned to me, that if Silver Eagle, on top of the hill behind the Firehouse, if they got their water and so on that it would require a special pumping to get it up to them and that would be put in at their cost. Has there been any other conversation about that?

Kurt Allen - Yes, we're going to give you a full review of where Silver Eagle development is at, and yes that does require a lot of special construction work to be done and so when we get to the Silver Eagle, we'll give you a full report.

Susan Savage - OK. My other thing I was just going to mention, in the Shareholder Meeting, Don mentioned that the soft start decreases the cost on the power and would be easier on the pump. I just wanted to mention a third thing, which is that it would be easier on the system I think. Because when you start up with a hard start, you flip on the power, and everything goes boom all at once then it agitates the sand and the sediment and pulls it up into the system.

Kurt Allen - Yeah, it causes hammering that causes us problems.

Susan Savage - The sediment also coming into the system and the works of the system I want to mention that the soft start will alleviate that.

Kurt Allen - Good point. Thank you, Susan.

Brant Jones - Real quick question, you mentioned South end of town possible development and I guess that some of those costs can be recouped by impact fees if they utilize that right?

Kurt Allen - if they utilize that then impact fees will be collected to pay for that sort of thing. Good point, thank you. Any other questions?

DISCUSSION

LDWA RATE INCREASE

Chris Bevan - Sidney Bevan - Do you know what the price increase would be for residents?

Doris McNally - Yeah. A simple example of what we gave at another meeting is, let's say currently you are a shareholder that is using 7,000 gallons a month. A typical family of two, is probably about 7,000 gallons a month or lower. Right now, what you're paying is \$40 for 20,000 gallons. Under the new schedule you will pay a \$40 standard infrastructure fee, and then you'll pay \$1.00 per every 1,000 gallons that you use up to 20,000 gallons, there is a increasing graduated scale per 1000 gallons used beyond the base 20,000 gallons. So, your rate would go from \$40.00 to \$47.00. If you're only using 5,000 gallons a month it would be \$45.00, so there is a price increase. It's on the website. We have a few different levels of customers, 86% of our customers are residential customers and they use 92% of our water and most of them are in the range of anywhere from 7 to 10,000 gallons every month and so they are way under the 20,000, that's basically in place. So once again the simplest way to explain it is if you're currently using 7,000 gallons a month, you're probably looking at your rates going from 40 to \$47. Does that make sense to everybody? So, we voted on it, and it was approved, but I'll need to work with the programming company, so I need at least a month to be able to get that into our billing system.

Chris Bevan - Sidney Bevan - Like Susan I wasn't aware of another development over by the Cemetery. So, when did all that get approved?

Chris Bevan – Which Cemetery?

Kurt Allen - The Protestant and Catholic cemeteries.

Doris McNally - When you first make the turn off, the Silver Reef Rd. They would start there, they're up on the side of the hill and down and then they go further up. When was the first year?

Kurt Allen - That project's been on the table since the early 2000s in 2003 and 2004, when I started coming to Town Council Meetings, it was on the table back then. A gentleman by the name of Rick Sant was the developing representative at that point and so this is the same project that's been on the table for years.

Chris Bevan – When you say the hill, is that this hill?

Kurt Allen - The “L” hill on the backside of the L Hill

Chris Bevan - The backside of the Freeway?

Kurt Allen - Yeah.

Susan Savage – So when I was asking my question earlier in the meeting about a pumping station, I was talking about Silver Eagle behind the Fire Station. Because there has been some talk also, like you were talking about the PRV stations on Wonder Lane and Main Street. The Silver Eagle would require a special pumping station to get the water up there and that they would finance it.

Kurt Allen - The answer to your question is yes, they do require a higher pressure, not a pumping station, to get water up on the hill and by relocating the Pressure Reducing Valve (PRV's) out of your property onto Wonder Lane and installing a new one on Main Street, and installing a new feeder line to Majestic Mountain that provides the higher pressure.

Susan Savage - And that's what you were talking about Silver Eagle, you weren't talking about Silver Point?

Kurt Allen – Yes, that takes the place of installing a pump station on to get water up on the hill. It does the same thing. Sorry for the confusion. We all get confused over the silver, silver, silvers.

Brant Jones – Is that project (?) the 100 homes is that pending sewer?

Kurt Allen - I don't think so. I don't know,

Josh Wagstaff – So the first phase was not contingent on sewer. The plot was recorded a couple years ago with two sewer retention facilities up there and treatment on site. With the plan to connect to sewer in the future and then where the sewage treatment would have been would become lots later, but now with the sewer coming in we're just going to connect directly to it. Then, finish building all the

lots and connect to the sewer. But technically it couldn't be built without sewer too. That is what was approved.

Brant Jones - All the lots meaning, all the phases.

Josh Wagstaff - No, just phase one has been recorded.

Doris McNally - I think Phase II may have some challenges, from what I understand.

Josh Wagstaff - Yeah, phase two would be a lot tougher.

Doris McNally - That's why you're looking for the sewer systems.

Josh Wagstaff - Yeah. But we're not really working on phase two right now. We're just trying to get phase one and the sewer system done.

Layna Larsen - Just curious, with the contamination, to dig even septic tanks, isn't that a potential hazard?

Josh Wagstaff - The State's covered all that. There's been enough holes bored up there and dug enough holes and done enough cleanup and none of that's the problem.

Layna Larsen - I'm Just curious, how deep did they dig?

Josh Wagstaff - I don't know exactly how deep they dug, but I know that it was whatever The State's requirements were.

Chris Bevan - The sewer thing brings up something, and sorry if I'm ignorant to what's going on, but if they bring sewer into the town, a lot of people are concerned that they are going to force everybody to be on that sewer system. And I live up there in Silver Reef, up by the Museum, needless to say, I'm not interested in hooking up to a sewer line, I spent a huge fortune on a septic system.

Kurt Allen - So, they're not forcing people to hook up, it's going to become a special service district. (PID)

Chris Bevan - It would go up to the development, but they're not going to be taking the line up there all the way up the hill and then making everybody hook onto it.

Kurt Allen - No, that's not intended.

Sidney Bevan - Unless you're 300 feet.

Kurt Allen - No

Sidney Bevan - I thought that's what the Mayor said.

Kurt Allen - No, the way they're doing this is they're forming a special service district (PID) that is going to serve a sewer to the landowners that are paying for it, that contribute taxes and money to this special

service district and they're going to be the ones required to hook up to it. Anybody else within, even within 300 feet, are not required to hook up to it. Am I correct?

Josh Wagstaff - Yes.

Doris McNally - But you are correct. Earlier on in the discussion, if you haven't been around for a while, The Mayor did say that and there was a lot of discussion about that. So, I'm acknowledging what you heard. But this is a totally different path they're taking relevant to the sewers. And I think some of your questions are also better served to Town because in those cases it would be a Town question not a water question.

Susan Savage - What the Mayor said was because developers were saying, can we put our own line down through town. He said yes, but if you accept, you have to pay for it totally. If you accept any Federal Money, then people within 300 feet are required to hook up. So, what you're saying is without Federal Money, it's going to be done by developers. So, the information hasn't changed and what the Mayor said was correct.

Doris McNally – Correct.

Sidney Bevan - Like you were saying, sir, the Federal Government owns all the water rights and so these developers have a tendency to 'we will start little' and then all of a sudden we're tied into Federal.

Brant Jones – The Division of Water isn't the State of Utah, but it comes through the Colorado River drainage that was done long ago for how much water we, as a state, should have, how many water rights should be allocated for each area. And then it depends on if it rains or snows or how much water there really is, that's why these Wells are critical. We hope the Wells hold out.

Kurt Allen - Hopefully so.

Sidney Bevan – that's why we don't want a lot of development because, I think the Colorado River, they're having problems in Nevada and the river is not supplying enough water for the Hoover Dam to support all the energy that they're producing for California and other places. So, no offense Mr. Developer, but that's why I'm concerned about having a lot of development coming in.

Brant Jones – I would echo that to, my first concern is for the people that are already here, not only for their homes but for Fire Protection and also for the Irrigation which are legal rights that are held, you know so, none of that can be really compromised by going into other developments and making more promises to other people.

Sidney Bevan - Yeah, because we need the farmers. We got to feed ourselves.

Kurt Allen - We're all in agreement with you. We're all concerned with it. We're all concerned

IV. MEETING ADJOURNED [All Members]

DISCUSSION	Request a Motion to Adjourn Meeting [Don Fawson]
VOTE	MOTION TO CALL THIS MEETING TO AN END: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

Kurt Allen – Everyone, Thank You so much for being here.
ADJOURNMENT: [8:00 PM Kurt Allen]





Leeds Domestic Water Users Association

will hold a Meeting of the Board of Directors
Wednesday, MARCH 15, 2023, at 7 P.M. at Leeds Town Hall,
located at 218 N. Main Street, Leeds, UT 84746.

1) Call to Order

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2) Announcements

- a) Consent Agenda
 - i) Acknowledgement of meeting Notice
 - ii) Vote to Approve This Meeting's Agenda
 - iii) Vote to Approve Previous Meeting Minutes

3) Officer Reports

- a) President's Report – [Don Fawson](#)
- b) Operations (Field) Report – [Mark Osmer](#)
- c) Finance Report – [Doris McNally](#)
- d) Administration Report – [Kurt Allen / Don Fawson](#)
 - i) Update on Future Projects
 - ii) Silver Point Estates – Request for Will Serve Letter

4) Shareholders Comments:

No action may be taken on a matter raised under this agenda item.
Shareholder must step to podium to make comments.
(Three minutes per person).

5) Roll Call Vote to close meeting



Leeds Domestic Water Users Association (LDWA)
545 N Main St Suite #7 | PO Box 460627 | Leeds, UT 84746
Phone: (435) 879-0278 | E-Mail: LDWAcorp@infowest.com | Web: ldwacorp.org



Minutes

DATE/TIME/LOCATION:	March 15, 2023 7:00 PM. Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting
NOTE TAKER:	Doris McNally (M)
ATTENDEES:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T) Staff: Mark Osmer (Field Mgr) Guests: Terry Allen, Michelle Peot, Cindy Neubauer, Ron Cundick, Shareholders: Josh Wagstaff, Brock Riding, Wayne Rogers (SPE)

Agenda Topics

I. CALL TO ORDER [DON FAWSON @ 7:00PM]

CALL TO ORDER	Don Fawson - I'd like to welcome everyone here. Appreciate you coming it's a good day to talk about water since there is plenty of it out there, and what a great blessing that it is.
ROLL CALL	PRESENT: Don Fawson, Kurt Allen, Doris McNally ABSENT: Alan Cohn, Brant Jones, Layna Larsen We want to excuse: Alan Cohn, Brant Jones they had family issues they were involved in & Layna Larsen just had a new granddaughter so, she's involved with family as well.
PRAYER	Ron Cundick
PLEDGE	Don Fawson

II. ANNOUNCEMENTS

CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

III. OFFICERS REPORTS

a) PRESIDENT’S REPORT

DISCUSSION	CHANGE IN PUBLISHING DATE FOR ANNUAL MEETING MINUTES
	Don Fawson - Since the beginning of this organization, the annual meeting minutes would wait twelve months before they would be voted on and signed off on; That was just the way it is. We looked into the “Roberts Rule of Order” guidance for meetings and apparently this is not only a problem that was associated with us as a water company, but also with other organizations. So, Roberts actually changed the rules where we’re able to make those notes available earlier. So, the board last month voted to make the notes available earlier.
VOTE	MOTION TO APPROVE THE 2023 ANNUAL MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

DISCUSSION	AGENDA OVERVIEW
	Don Fawson - I'm going to go through the agenda in more detail than what was posted. First of all, we're going to ask Mark to give his report. Then we'll have the president's report. I'll give you some information at that point. We'll have Doris go through the financials and then report on the usage and confidence reports. Then Kurt can give us an update on projects. At that point, is there anyone here from Silver Eagle tonight? OK we'll skip them. I've asked Susan Savage to report on information related to the town and the Water Conservancy District. And then Josh Wagstaff is here with Silver Point Estates, and we've got some things we'll discuss relative to that. And then Michelle Peot has some things that she also wanted to share relative to the mitigation of the Silver Point area. And then, we'll open it up for questions

DISCUSSION	RURAL WATER CONFERENCE
	DON FAWSON - As mark mentioned, we actually made a presentation at the Rural Water Association Conference. There's a conference held here in St George every year about this time. It lasts for a week and there are thousands of people that come attend. It's not only culinary water but also sewer and anything pretty much related to water. We also had an opportunity to take a number of classes as well as make our presentation on what small water companies are doing to take care of things like cross connection, keeping our shareholders informed and so forth and so on.

DISCUSSION	CROSS-CONNECTION SURVEY
	DON FAWSON - The other thing I wanted to mention is that we are going to be sending out a trifold survey to everyone. It's for Cross Connection information, and is something that the State requires us to do. We are stamping it and then stamping the return piece so that we can get as many back as possible. The State looks at the results want to see a high level of response relative to cross connections. In addition, we will be doing education to try to help people better understand what they can do to prevent cross-connections which may result in contamination.

DISCUSSION	NEW RATE SCHEDULE
	DON FAWSON - The new water rates will be implemented beginning with the April water usage bills. So, that will be the May bill. Basically, anything that's used from April on will be charged at the new water rates. Those water rates are on the LDWA website and will also be posted on the reverse side of the next water bill. And we appreciate Doris for the magic she does in getting that information on those water bills.

DISCUSSION	WATER FLOW
<p>DON FAWSON - I just wanted to mention, I just checked the flow on the USGS site just before I came in and it was Huge, 251 cubic feet per second. That translated into 112,657 gallons per minute. The chart that we have from the state water engineer doesn't go anywhere near that. I mean it doesn't even go up to 5000 gallons per minute which was what we had just a couple weeks ago. So, basically, if in fact that flow continues. through the summer, or at least part of the summer, then we can take our maximum flow out of the Spring, including the wet sandy water which is passed the Class 3 water rights. This is extremely unusual. An unusual year indeed, and we're very happy for that.</p>	

DISCUSSION	AZALONE INVOICE FOR NEW PUMP & INSTALLATION
<p>Don Fawson - We have a final bill for the pump, installation, and the testing for Azalone Pumps for the amount of \$21,557. I will accept a motion to make that payment.</p>	
VOTE	<p>MOTION TO APPROVE/PAY AZALONE INVOICE: Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously</p>

b) OPERATION / FIELD REPORT

DISCUSSION	WATER QUALITY TESTS
<p>Mark Osmer - We passed our BacT test again this month.</p>	
<p>Don Fawson - Does everybody know what a BacT is? It is bacterial.</p>	
<p>Mark Osmer - Coliform and Ecoli is what we test for every month in the water.</p>	

DISCUSSION	MARKED PIPE ON MAIN ST
<p>Mark Osmer - We've been doing a whole bunch of blue staking on Main Street to mark all our water lines. Jones & DeMille needs everything marked out so they can survey it and get all their lines marked out.</p>	

DISCUSSION	WELL TESTING
<p>Mark Osmer - We had Anzalone pumps come out. They put the new pump motor, pump and pipe in the Highlands Well and connected it all up. We did a test on the well: we normally pump at 350 gallons, 350/340, so we did a test with the new pump. We pumped 650 gallons a minute for about 30 hours. It did great. The drawdown was about 13 to 14 feet. When we normally pump with the old pump, we pumped about 350 gallons a minute and the drawdown was about four feet. So, it pumped really well.</p>	
<p>Don Fawson - OK, so what has been done. Now instead of pumping at 350 gpm max, we can now pump up to 600 gpm. So, in summary, we pulled the old pump and motor out, that would only pump up to 350 gallons a minute along with the well stem and everything else, we installed a new controller, a new pump with a higher horsepower rating and motor and then we also installed a bigger well stem. The idea of all this is to maximize what we can out of the well, and then also to see if in fact the aquifer would support a second well in that area. The new pump, motor column and whatnot will stay in the well as it is. So that was completed this last week, Mark, Thank you.</p>	
<p>Mark Osmer - Yes, absolutely. It was very impressive actually. Yeah, it is. And not only that, but the water was extremely clean and clear and whatnot, so we're very happy with the way that turned out.</p>	

c) OFFICE FINANCE REPORT

DISCUSSION BILLING/COMMUNICATION

BILLING


for February was completed and mailed on March 1st.

NEWSDRIPS

On the reverse side of the bill, the New Drips Article was reminder that the new rate structure goes into place April 1st.

For the upcoming March Invoices, I had sent a proposed article which simply shows the rates that will be in effect starting April 1st.

I'd like to ask for alignment on the content of that article and it's use in the upcoming End of Month production of the invoices.



LDWA News Drips

Need to contact the LDWA, it's simple.
Phone
(435) 879-0278
Please leave a message, your call will be returned promptly.

- To report an **EMERGENCY** water leak or a loss of water **PRESS 1**
- For a **BILLING INQUIRY**, **PRESS 2**
- For a **GENERAL INQUIRY**, **PRESS 3**


Your message is immediately routed, and a LDWA representative will be in contact.

Email
LDWAcorp@infowest.com


Water Rate Structure
Rate Increase effective April 1, 2023

On 9/9/2022, the LDWA held a Public Meeting to review, the Division of Drinking Water authorization of a loan with significant principal forgiveness to the LDWA for drilling a new well, new vault w/ chlorinator, and the replacement of 4,500 feet of water main & transmission line. The loan terms offered to the LDWA are forty (40) years, at an annual Interest Rate of 0%. The rate increase is being implemented to fund the needed infrastructure projects to ensure the health of our system and will be effective 4/1/2023. The rates are designed to encourage wise use of our water.

The LDWA is committed to provide top quality water to every tap. We ask that all our customers help us protect our water sources, our way of life, and our future.



SCAN ME



LDWA News Drips

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Your message is immediately routed, and a LDWA representative will be in contact.

Email
LDWAcorp@infowest.com

Water Rate Structure
Rate Increase effective April 1, 2023

For your reference here are the new rates going into effect April 1, 2023.

	Residential Rates	Commercial, Institutional & Industrial Rates	Standby Rates
Base Rate:	0	\$40.00	\$50.00
Tier 1:	1 - 20,000	\$1.00	\$2.25
Tier 2:	20,001 - 30,000	\$2.50	\$3.75
Tier 3:	30,001 - 45,000	\$4.00	\$5.25
Tier 4:	45,001 - 70,000	\$6.25	\$7.50
Tier 5:	70,001 - 1,000,000	\$9.00	\$10.25

IMPORTANT :: Please review your bills **Amount Due** as it will now vary from month to month reflecting your actual usage. This means your bills going forward will reflect different amounts due.

DISCUSSION PAYCLIX

In February we had 69 shareholders pay their bills using this payment option. The total amount collected through PayClix was \$3,736.61. With 72% paid via credit cards & 28% via echecks.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
	81	\$4,729.27	53	\$2,499.29	134	\$7,228.56

DISCUSSION FINANCE P&L [February 2023]

		% to TOTAL
Total Net Ordinary Income:	\$20,990.81	
Total Ordinary Operating Income:	\$16,907.28	80.5%
Total Other Operating Income:	\$4,083.53	19.5%
Total Net Ordinary Expense:	\$32,983.31	
Ordinary Field Operating Expenses:	\$1,712.77	5.2%
Ordinary Admin Operating Expenses:	\$1,035.60	3.1%
Professional Operating Expenses:	\$1,254.00	3.8%
Labor Expenses:	\$7,450.94	22.6%
Uncategorized Expenses	\$21,530.00	65.3%

DISCUSSION LDWA BANKING ACCOUNTS [as of 04/13/2023]

CHECKING ACCOUNT	\$49,399.98
SAVINGS ACCOUNT	\$300,111.16
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$267,355.94
DDW LOAN #3F138 FUND	\$710.87
IMPACT FEE ACCT	\$41,044.35

d) ADMINISTRATION REPORT

DISCUSSION

WELL

Kurt Allen - We've talked about the Well already. Are there any questions from the shareholders on the Well before we leave that subject?

Angela Rohr - Wet Sandy was mentioned and I wondered exactly what does that mean?

Don Fawson - I can answer that.

Kurt Allen - Go ahead Don.

Don Fawson - So the water company had some water rights that were attached to Wet Sandy. Do you know where Wet Sandy is?

Angela Rohr - Not exactly.

Don Fawson - It is East of The Oak Grove Road, it is a valley or two over to the North from there, and that water was transferred over into our Spring when Elliot was still president of LDWA. When that happened, the date on that right was changed from an 1850 date to a 2020 date. That put it at the bottom of the Spring rights list. However, the State Water Engineer has assured us that if we go back and ask for a reapplication that we can transfer that right into the wells and recover that earlier date, so that is what we're planning to do. We've got some other water rights things we're going to be doing at that same time. So, the reason I mentioned that particular one in relation to the high water is the fact that it actually only comes into effect in the Oak Grove Spring after all the other water rights, the first, second, and third class water rights have been satisfied which may actually happen this year. That would be a rare opportunity to be able to use some of that additional Spring water.

Kurt Allen- Good question any other questions on the Well?

DISCUSSION

2nd WELL

Kurt Allen – We are going to rely on our hydrogeologist to locate the second well location and he's going to take the results of our test pumping from the existing well and determine where, at what location the second well would be drilled. We anticipate moving right into that project and begin drilling that second well just as soon as possible. Yes, Ralph.

Ralph Rohr - What kind of a process is that trying to find it? Do you go around with a fork stick or what's this technique for a good Well and how expensive is it?

Kurt Allen - Well, Don likes to say that you buy him a six pack of beer and some willows and let him go out and locate that second well site. (Joke) We've hired John Files through Jones and DeMille Engineering to be a little bit more scientific with that process and John is the one that's been directing the test pumping on the existing well and now with this information he can look at the geology and the aquifers and site this second well accordingly.

Ralph Rohr - Are there other Wells in that area of our Aquifer that are drawing or are we the only one there?

Kurt Allen - No we are not the only one. The aquifers a large area, so there's quite a few other wells, one of them being Susan's. Susan's families well, and so there are other wells. (Note: Aquifers are at various

levels containing various quality of water and volumes of water. While there are other wells in the area we do not know if they access the same aquifers).

Shareholder - And the rights probably of others as well?

Kurt Allen - I can't name them all, you know, there's others. Susan could probably enlighten us a little bit better on what those are and maybe when you get up Susan, you could tell us a little bit about that. But but, yes, there are other wells.

Don Fawson - the DeMilles North of town have a couple of wells. When we talk about an aquifer, it's a particular underground drainage I guess you'd call it that and they're at different levels, different water qualities, different refill rates and so you know when we say that there are others taking water from a specific aquifer it is really difficult to prove. I mean that's something that we all have to watch when we drill new Wells and bring them online. We need to be conscious if pumping our wells starts affecting other wells. Kurt, did you have anything else that you wanted to share?

DISCUSSION

SPRING

Kurt Allen - On the Spring project which is the new pipeline out of the Oak Grove Spring. It will be 5 miles down from the Spring down Oak Grove Canyon. The design process is taking place with Jones and DeMille. They're doing their survey work right now, collecting data. They've got a full-time team working on permits with the Forest Service to get our environmental assessment done for the permitting process and are hoping to be able to get a categorical exclusion for that since it's coming down the existing road and within our existing easement. We're anticipating that by this fall, maybe August or September we should have 60% of drawings and engineering done. We will then request bids from qualified contractors at that time. Then, hopefully, by the 1st of 2024 we will be under construction. Yes, Ralph.

Ralph Rohr - What kind of material are they going to use for the pipe? Is it going to be Steel like it has been before?

Kurt Allen - We're going to use HDPE. The Black Poly pipe that you're familiar with.

Ralph Rohr - Oh Yeah, I've seen it.

Kurt Allen - Yes. And the reason we've decided to use that is because the Spring water is a non-chlorinated water. HDPE doesn't do well with chlorine and so we're going to go with that pipe because it's not chlorinated water.

Ralph Rohr - That will be as durable as the steel pipe?

Kurt Allen - It really is, it's been proven that it's a good durable pipe and it's actually more flexible than PVC. It doesn't have joints, it's welded together and of course it last longer than steel pipe and so I think it's a good choice and we're going to go with eight inch. It'll be an 8" pipe.

DISCUSSION

WCWCD

Kurt Allen - OK, the Water Conservancy District has moved forward with their 24-inch pipeline that they're putting up the West side of Main Street. They have bid out the materials for that project, our 10-inch pipe that we're putting in the same trench as the Conservancy was bid at the same time and it's

just over a \$500,000 for our portion. The original supplier was Mountainland Supply, but since that time there's been complications with their proposal, and they've now awarded the materials contract to Ferguson Supply. So, that's who will be working with us on the materials. Civil Science Engineering has got the 60% drawings out and they're planning on putting the entire project out for bidding in April to select a contractor to do the entire project, including installing our 10-inch pipe alongside their 24-inch. Any questions with that? Ron.

Ron Cundick - What about the pumping station?

Kurt Allen - The Pumping Station?

Ron Cundick - I understand there is a pumping station required for that

Don Fawson - You are talking about the WCWCD Pumping Station?

Kurt Allen - I am not familiar enough to discuss that, I don't know.

Ron Cundick - I am not familiar either.

Don Fawson - The only thing I have heard on that is... Basically, there was rumor that the Sullivans or Tom Beach had sold a piece of property to the Conservancy for a pumping station. So that 24-inch line is going to go between the chlorination plant at Quail Lake and the Cottom Wells tanks. Basically, the idea of that line is that they can send water either direction depending on where they need the water at any given time. Since its uphill from the lake to the Cottam tanks, they're going to have to have an intermediate pumping station to move the water. That's my understanding as to why that pumping station is needed. Someone had mentioned that they were also going to put in a water storage tank maybe 1/4 of million gallons or something like that on that property, but I don't know that that's the case. We plan to reach out to Zach Renstrom to try to get a little more information. I don't think it's a secret it's just something that they're involved in, and we haven't been.

Shareholder - So, does it have to go in Leeds?

Don Fawson - It has to go wherever the engineers have said that it needs to go as an intermediate point. That's all I understand.

Ron Cundick - There is a lot of space between here and there.

Kurt Allen - There is, but I'm sure it's elevation driven.

Ron Cundick - I just don't want our first view of Leeds to be a Welcome to a Pumping Station.

Don Fawson - But well, yeah, I don't know where it's at Ron. I really don't. I don't know whether it's further down or what their. I suspect you've seen some of these little block buildings around like for chlorine. I suspect it'll be something similar to that.

Ron Cundick - So you don't have any input for that.

Kurt Allen - We don't.

Don Fawson - We don't anymore, than you or anyone else. So, if the beautification committee or somebody wants to visit with them, maybe they'd be willing to accommodate something, plant some bushes or something around it or whatever. But anyway, that's all the information I've got. Susan is going to report in just a minute here, and she may have more information on that.

Kurt Allen - OK, if there's no further questions on the Conservancy, I'll move to the Main St. East pipeline. Line.

DISCUSSION

MAIN ST. EAST LINE

Kurt Allen - That also is under design and being surveyed. You heard Mark say that he's been getting some Blue Stakes (Utility Markings) down Main Street so that we can complete our final survey. Information on the plans: Jones and DeMille is working towards getting the 30% drawings out on that very soon and we'll make a decision on what we're going to do. The East Side Main Street pipeline is our Contingency project that so if we get through the rest of the projects and still have funding money available we will proceed with the East Side Project and take advantage of the money that's available for that. Any questions on that.

Don Fawson – I might mention that the East Side does have some newer line in some segments. And so, it would just be a matter of going in and replacing the old 6 inch that is there with newer ordered upgraded 8" line.

DISCUSSION

WATER RIGHT CONSULTANT

Kurt Allen - OK. I'd like to also talk about the Board's interest in some water rights consulting. We have discussed and talked with a consultant named Carpenter. That's Kerry Carpenter out of Enoch. Utah. We've had him help us previously on Water Rights Consulting and been very impressed with his abilities. Kerry Carpenter is the past State Regional Water Engineer, that was his career and so his ability and his knowledge of water rights is very good, and we would like to have him work with us on specific and special water rights issues within LDWA. He presented us with a consulting agreement with his rates being \$150 per hour plus travel time.

Susan Savage - Is it OK if I make a comment?

Kurt Allen - Sure.

Susan Savage – We, in the 1990s, when the previous water rejudication was taking place and we reported our water use to the State, Kerry was there and also Keith Christiansen. Kerry stayed on when Keith retired. But, I'm kind of concerned about Kerry because of our experience with him at that time, but also, I've seen his name on various documents that concern me and also, he's kind of been the head guy on the Trouts Unlimited Project and trying to keep the water in the creek. Their presentation to The Irrigation Company (LWC) was to let all the water come down the Creek and replace the Irrigation Water with Wells. So, I felt like that him having been the State Regional Water Engineer, he knew about everybody's water rights and has been able to get into some situations and kind of work around some situations that have been a concern to me. If it were my choice, I would go in a different direction because of those experiences.

Kurt Allen - That's good information.

Susan Savage - Kerry is very smart. But that's why he could do these things is because he knows people's water rights and he knows these special interest groups. He was the key person of that effort.

Kurt Allen - That's the indication I've got that he is very capable of dealing with water rights and knows those water rights very well and I think that's our intent, to stay focused on our water rights and not to deviate.

Susan Savage - He has taken his knowledge and left the State Office and is making a lot of money working for special interests. That's what I see happening and that concerns me.

Michelle Peot - Is there any sort of disclosure statement to find out who his other clients are? That might help, but I would have to second Susan's experience.

Ralph Rohr - If he has represented Trouts Unlimited, we all know what that was about.

Kurt Allen - We have discussed any possible conflicts of interest that he may have and there are some that you guys have seen him involved in and we wouldn't, be consulting with him on those water rights at all.

Michelle Peot - Is there another potential candidate that you would recommend Susan?

Susan Savage - Umm, I don't know anybody right off. It would be worthwhile to examine a couple of things that have happened lately in the area where property and water rights were misrepresented. People spend a lot of money on water issues and when you get into the paperwork, Kerry is the one who had done it and so.

Don Fawson – Susan, I really appreciate the information. Kurt, , based on that information, would it be OK if we table this matter for now?

Kurt Allen – Yeah

Doris McNally – Kurt, I want to thank you, I think it's still a valuable thing we need to do. It would be good to have the assessments of the water rights that we're talking about.

Don Fawson - So, I think it's just all on the table. It isn't a matter of the issue, it's a matter of the individual I think at this point. So, we're still going to move forward and try to find someone that can help us with that.

VOTE	MOTION TO APPROVE consulting agreement that's been presented to us Kurt Allen MOTION DISCUSSED & TABLED: Unanimously
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I. SHAREHOLDERS COMMENTS

DISCUSSION	WCWCD PROPOSED PUMPING STATION
	<p>Susan Savage - May I say something about the pumping station, I was at the Town Meeting when the WCWCD District people came to present that. Their maps showed where the station would be and Larry Roberts explained that as you come off the freeway to that stop sign before you go left to Leeds or right to Harrisburg, it would almost be right in front of you on that corner. There would be a cement block wall six feet high surrounding an acre of land. They showed a little building on their map, and they showed the tank. They mostly talked about the building, showed pictures of that and said we can make it different colors, we can stamp the outside of the blocks, or we can make the roof a different tilt or whatever.</p>

Then when they opened it up to questions, they hadn't talked about the tank, so we asked, "What about the tank?" And they said the tank will be partly submerged. It'll be 10 feet high above the ground level and 30 feet in diameter. And they said you won't see much of the wall because the ground tilts into it, there's a natural drainage there and the ground tilts inward towards it. But to me then if you don't see the wall then what you see are the other things, the building and the tank. My thought that I mentioned to the Planning Commission and to the Town was that just South of that location The piece of land on the other side of the road is in city limits and the other piece isn't. But the other piece is dry, and it goes alongside the frontage Rd. It has been cleared and there's kind of a fire hazard now, I guess it was a little meadow, but the little pond that was there has been breached and now it's a dry area. Just thinking that maybe the Town would be interested in thinking about a small industrial area or something where things like that could go in that little area.

And that's just one suggestion. Maybe the Town has different ideas too, but though the little hill there would separate it from view and the sound, whatever sound it has, of course the freeway sound would probably drown it out, but at least it wouldn't be in view. It would only be viewed from the frontage road and the northbound lane on the freeway. They said that they were coming to the Planning Commission to check on zoning to see if there were any of those issues that they needed to check into Allen Roberts told them that zoning applies to commercial entities, but Municipal Utilities, Public Utilities, I should say, that zoning doesn't apply, so much to them. So, they were checking on that. They said in advance of buying that acre they had talked to Tom Beach. Then on their map they showed that location was about midway between the Treatment Plant and the three-million-gallon tank that they have at Anderson Junction and that location would be best because there's such a total rise in elevation that would be needed to give the extra boost to the water to get it on up to that tank.

OK. I mentioned some things that for people who were in meetings will be repetitive, but it seems like when we talk about water in the Community, hardly anybody understands what people are talking about when they say, "We'll bring water." They think that's what's happening is that people are bringing in water for a development and it's actually the opposite of what's happening. What they're bringing is Water Rights. I'm speaking for anyone that might not understand that concept. So, when people apply to bring water rights into this area, what they're doing is saying we'll stop using it where we've been using it and we'll pull it out of your area instead. So, it's kind of like having somebody co-sign on your bank account and you want to make sure that there's money going in and you know who's pulling money out. I had that experience a couple of months ago. I went to one of my accounts and it was empty. It turned out that a cosigner who was, working with a lot of bills that seen their name and thought there's money in here and had just mistaken it for one of their other accounts and so anyway, that's kind of like the water situation and the way I look at Leeds.

Leeds has always been kind of a jewel from the earliest pioneering days because people weren't dependent on dams that would wash out along the river to get their water. It was a little nest of springs where we had water coming off the mountain and when they got the irrigation ditch coming down through Silver Reef and they didn't have to worry about Quail Creek flooding out, they could let the floods flow down the Creek and then control it in the ditch. So, it was a prime area and apparently it is now, because it's the area that the Conservancy District (WCWCD) is looking to supply future water. My impression is that Zach Renstrom (WCWCD Manager) is probably on a hot seat at the District because they've had to address the population projections, as I'm told by people at the District. I just said, where do you get the population projections? OK, they have a Kim Gardner report from the University of Utah that projects 400 and something thousand people in this area, but I said where does that come from? And they said from the amount of privately owned property in this area. So, here's where that property comes from. In 1862 after the United States had acquired the Northwest Territory in the Louisiana Purchase and

all of that, they acquired all the land to the Pacific Ocean. Then they needed people to come here and settle, and so they instituted the Homesteading Act. The Homestead Act came into being and that's why there's so much private property around here because people came and homesteaded. So, if you would come and live on the land and improve it for I think, it was five or a certain number of years anyway, then you would get 160 acres of land. So, people came. They weren't worried about springs and underground water rights and things like that. They grazed sheep and cattle and they had disputes over that, you know, and so the cattleman said the sheep were overgrazing and so maybe we're metaphorically overgrazing a little bit now. Those questions are with people are with over population. The District has been counting so much on the Lake Powell pipeline they've been trying to do everything they can to come up with enough water for all of to populate all the privately owned land development that came from those homesteading acquisitions.

We've heard our Representatives and Community Leaders saying that they're behind the Lake Powell Pipeline Project and that's all we've heard consistently from the Water Conservancy District except in about the last two or three weeks. Mitt Romney came down and visited with Zach. There were pictures of them over at Pah Tempe Hot Springs and Romney, who's been saying we've got to have a Lake Powell pipeline was saying to Zach, you know based on what's happening with the Colorado River Allocation, the Lake Powell Pipeline is not going to work until something changes. Then on the 22nd of February, there was talk about a water meeting in Ivins, and in this meeting, I wasn't at that meeting because it was the same night as the pumping station was being talked about here, but based on a recording, they talked about things all over the County. The first two speakers talked about things that pertain to us right here and the plans the District has. So, I guess what I'm seeing is that the District is this great big organization with a great big responsibility all over the County.

'And hopefully, you know we citizens so appreciate your being willing to serve in these positions and we know that your burden is heavy. It takes a lot of your time and we hope that when we bring information that you will receive it in a positive way and know we are trying to support you and help you with that burden. I just feel like we're really fortunate to have people in our community who really know how to dive into things and look for information, who are interested in doing that, and interested in the community, and what happens now, and in the future.'

Anyway, Zach said, I don't remember his exact words, but he said, the Lake Powell pipeline is Kind of on hold. It's in the background for now because of all that's happening with the Colorado River. So, we're having a wet year right now. Alan Howard tells me that through the years, the District has said it takes 63 years for water from Pine Valley Mountain to get down to his springs. But he said years ago the USGS, I think came through and did a study with fluorocarbons and said it was only five years, so who knows. Anyway, there may be a lot of runoff this year. We don't know what will happen, but it doesn't mean that all of a sudden, our aquifers are going to spring back. The aquifers and the Spring up at Pine Valley Mountain, that's our bank account. The runoff will help recharge the reservoirs, but we're different from other places in the rest of the County because we're not helped by reservoirs. In fact, the excess water that runs from Quail Creek goes past us into Quail Creek AND is not going to come back to us.

The big pipeline they're putting in is taking that excess up to that big tank at Anderson Junction and that water is going to the communities to the east. This is part of what Zak and the guys talked about relative to the pumping station. That water is going up as far as Toquerville, LaVerkin, Hurricane, Virgin and where ever growth demands. So that's coming out of our bank account. We feel, those of us who keep a close eye on the applications to move water rights into our area and we protest those things, we feel like we have some pretty solid indication that the WC District's aquifer at the Cottom Well is connected with us. They always say that it's based on their studies. I'll read something from one of those studies in just a second when I finish up here, but their own studies say these studies are speculative. And the only

indication with any solid basis that you can get is by monitoring. So, monitoring is not studying the geology or the precipitation. Monitoring is when you pump one source and keep track of what it does to the other sources. So, you've got all those data references to look at and we know they haven't done that because they would need our data. The people in Hidden Valley (Angell Springs) say, yeah, our springs are going down, our well levels are going down, but we have the keys to the gate, and nobody's come to check us. Then the District also says it is from LDWA. This seems conflicting to me as I look at the things they are saying. I don't think they're going to say we are worried about you, but the State needs our data to see what the monitoring is to make an accurate judgment. That is the reason we always protest these things so that they have that data. The WC District, says well, we don't think we're connected to you down here because we think our water is going out this way and that's what they show on their maps that their aquifer drains out in that direction. But when we talk about sewer, then they say we're a problem because things are draining this way. So that conflicting information concerns me.

Another thing that's interesting is when Silver Eagle Estates was applying to move their water to LDWA, which has been approved, when they first did that, the WC District protested it. The water rights were coming from down in the Washington Fields area and they said they protested it on the basis that they were discontinuing a poor quality of water rights in that area and bringing them up to Leeds where there was a really good quality of water and the WCWCD representative said the Leeds area is being hit really hard right now with water rights transfers.

So, we questioned that later in the protest document. You know, if the WCWCD not concerned about us and you don't think we're an issue, why are you interested in what's happening? You know, Don, that our area has been closed to new water rights appropriations probably longer than any place else in the County. Most of its closed now, but since the 1970s our area has been closed to new water filings. You had to buy it locally and you couldn't move it in from outside from other places. We seem to be a little treasure as I say and have heard from more people than just ourselves. We're a water bank account, I guess, for the County.

Zach also basically said in the meeting at Ivins that the WCWCD is going to do the following things here in our area: They're going to bring the water up from Quail Lake to that tank and they're going to bring the water down from the Ash Creek reservoir and they're going to pump the Sullivan Wells. He also said that there are three Cottam Wells, and, in the previous hearings, they've told us that they've applied for a third well as a backup, only if something else went down. In Ivins he talked as though it were three pumping Wells and that, in addition, they were going to start pumping the Sullivan Wells located between here and Toquerville, which have previously been capped off. There was an Artesian well there at one point. So, that's part of their plan.

One of the things that both Zack and the people who came to talk about the pumping station, in the Leeds Town Meeting, was that they have also captured the streams that come off of Pine Valley Mountain including the Wet Sandy stream. That's a stream that comes down into Anderson Junction and they've also captured Leap Creek, and there's a third one, I didn't catch the name of it, that's up further north. So, they're putting those into a pipe. Those of us who protest these things have protested the removal of the Ash Creek water from the reservoir at the top of the Black Ridge, and here's why. The Ash Creek Reservoir was created in 1960, that's when I-15 was built and created the dam. People at that time were pretty excited about creating a reservoir up there, but were disappointed because it wouldn't hold water. The reason for this was because it backed up water towards the West and Northwest along that volcanic Ridge. And it seeped out into the volcanic rock so it wouldn't hold water and there was no baseline established before that for our aquifer. There weren't any Cottam Wells, there weren't any wells in our area. So, nobody had any data on what that aquifer might feed. So, we just feel like now that we do have wells here and there's all this growth that's happened as well as projected development, now the district

wants to take that water and we've just said we don't know where it's going and the effect taking that water might have on existing rights. You know Zach has called it a leaky old reservoir and they've said we just think it's going down deeper in the ground, but we don't know that, and we don't know what those streams that they captured off the mountain have been contributing to the aquifer. So now that they have lots of people dependent on their projects they want to eliminate the seepage by putting that water in a pipe and ending that that unknown aquifer recharge.

Don Fawson - So are they going to run the pipe up past that Reservoir up to the Creek further upstream?

Susan Savage - I don't know exactly where they are taking it out, but what I do know is that both Zach and the people who came to talk about the pumping station, said they've installed half of it. And it is my understanding that they don't have approval to do it yet. We would know that because when you protest something you get all the reports after that about what's happening, and so I called the State Engineer in Cedar and said "can you give us the status," you know, the status on that application to remove that water and bring it down that pipeline, and they said we don't have any information yet. So, I'm not sure what that means, I know that reservoir has a different name now, but it's been on the drawing boards for decades.

Don Fawson - Are you talking about the new one?

Susan Savage - The Toquerville Reservoir is what's called the Anderson Junction Reservoir in the past but it's been a plan and the Engineers in Cedar commented on that, they just said, "Wow that's been going on for years and years." So anyway.

I also want to mention that Zion Landing, North of us, that applied for annexation and apparently that annexation is on pause or something right now but, I did talk to the gentleman who's representing them. I emailed him and he answered all my questions. He was very nice, but part of their plan is to again bring water into the area from the Shivwit Reservation, out by Ivins. I called the State Water Engineer and asked what's the likelihood of that being approved and he said, "Well you can apply for anything." But, he said in the past we allowed transfers of rights from the Ivin's area into the South St. George area, but we're not doing that anymore because we found out that didn't work. There are several fault lines in between and the distance would be prohibitive.

Then I talked with someone in a leadership position in Ivin's, a person who's been Mayor and recently has been watching what's happening and he said the Shivwit who proposed those big soccer fields that they're putting in right now, said they're putting in pipelines and that's where they're putting their water. He said that water comes off the aquifers there by the Santa Clara River. So that's something that has been in the conversation.

Micelle Peot - Can I have you clarify something? So, my understanding is their deal that they were trying to strike with the Shivwits was related to the sports complex and the BLM land. Are they now talking about swapping water rights for the resort as well?

Susan Savage - The person I talked with was representing a resort, the hotels so, I don't know, you probably know more about his connection.

Michelle Peot - Originally what they were pitching after, the whole Toquerville thing fell through including them acquiring the BLM land through the RMP process was getting the Shivwits to sponsor it and there was also a potential water rights swap associated with that, but I didn't hear about it in the context of the resort which is further South on private land.

Susan Savage - He was just a person that I talked to, sorry I don't know. That's basically it.

Doris McNally - Just to clarify, so when you met with Zach that was the meeting at the Washington County Water Conservancy, it wasn't the one in Town. I know he was on the agenda, but I don't think Zach showed up for that meeting. I had heard it was two gentlemen who came to talk about it instead.

Ron Cundick - They were staff.

Susan Savage - I don't know if it was because of what Alan had told him about zoning or not. And I don't know if it was what Danny had said to them, we just recommend you talk to the Town. And so, I don't know if that was passed on from the Planning Commission to be put on to the agenda.

Doris McNally - OK, thank you.

Susan Savage - OK, there was a letter in my files from the State Department of Natural Resources, the Division of Water Resources, that says: "Through the years, Utah has faced cycles of water shortage and excesses. As you know, these cycles will continue ad infinitum. With our growing population and ever-increasing water use, we believe it is time to address efficient water use.

As a supplier of domestic water in the State (this is to the LDWA) and one who is particularly cognizant of the limitations and vulnerability of our water resources, we hope you'll see the value of making this [conservation] brochure available to each water users in your area." That letter was written in 1989 when the population of Leeds was 218, and now it's 876.

They are talking about the methods for speculating where groundwater is moving which are flawed because they do not monitor how they're affecting prior water rights. That would require running data from Leeds area water sources. There are conflicting projections about movements of underground water drinking vs septic. They say they are not connected to us, but have begun protesting application to move water rights into the Leeds area (example: Silver Eagle Application saying "The Leeds area is being hit hard right now.")

In 2013, These last couple of statements come from the WC District's studies that they sight. They are talking about geologic conditions and changing along the I-15 corridor, so the Engineers from Cedar City; I guess during COVID, when I called, there was one of the engineers who had some time because there weren't too many people in the office and he spent about an hour with me and he showed me what we can do with the website and talked about it. And he said the Leeds Area is really difficult because of all the upheaval and the geology and the fault lines are like cat scratches, and we looked at that. So that's part of what they're talking about along the I-15 corridor as you come down along the Black Ridge, into this area.

The 2016 report or The Rowley/Dixon/Layton report, I think that's what you talked to me about, Michelle, was contributed to by the people from the WC District, the same people who were asking for a report and saying that we're not connected, and here's part of what they said including those given in this report, - The report says, "There could be more water in this report than we thought in the past." In the past they've said it doesn't cross fault lines, and then in the report it says, "Well, I guess we don't know, maybe it does. Maybe it comes from Pine Valley mostly. Maybe there's some that comes from Ash Creek, out of New Harmony, maybe it comes from other places." The Church of Jesus Christ of Latter-Day Saints was sued in the 1990s by the Conservancy District over water rights in New Harmony, which precipitated the only study that I have seen that was based on actual monitoring. Following that study the Church

representatives came to our LDWA meeting. I was on the Board at the time and their representative said, "Please know that you'll have access to this report because you are in a vulnerable position to be affected by the District and you would never be able to afford to hire these studies to be done." So we have a copy of that report now.

We are concerned with that the Rowley Report has talked about the underground water study... Almost any predictions, - including those given in this report - about volumes of available future groundwater would hardly get consensus from even the most positive experts... groundwater resources cannot be proved... WCWCD's only response to skepticism from the public is to put greater effort into monitoring groundwater resources by use of monitoring wells, with a promise of (1) transparency and honesty, and (2) an agreement to decrease withdrawal when or if water levels show a significant or multi-year decrease. Currently the USGS maintains a tiny monitoring network in the basin of only 4 wells, only two of which have long-term records. That is not sufficient if WCWCD wants to develop more water resources in the basin.

And then it says the USGS has a pricing policy for outside funding, perhaps due to being always underfunded and understaffed by Congress, that is extremely high. Therefore, we have previously recommended that the WC District contract work by the Utah Geological Survey, (UGS) which gives reports and other products of comparable quality at half or a third of the price. The UGS could be hired to do your monitoring. But they haven't done the monitoring. So anyway, that was the concern.

So, the report says that there could be more water in this area than we've thought in the past.

Don Fawson - This is really depressing, Susan.

Susan Savage - Your reports have been so positive that I just thought, Oh Gee. No, it's just that things, get stated sometimes in such an encouraging way that we think we can do anything and we really do need to look at it carefully. I wondered in your measurement of the of the LDWA well, do we know what the level was in the very beginning when they first drilled the LDWA well? Do you have any idea? I haven't found that in researching.

Don Fawson - No, I don't.

Susan Savage - I didn't know if that might be in the records. It probably is. Mark, how long have you been measuring the depth of the well?

Mark Osmer - Probably three or four years.

Don Fawson - OK, but you've never seen it drop at all?

Mark Osmer - No

Don Fawson - if in fact, it takes so many years for that water to come down, I mean we don't have long term records.

Susan Savage - When we go to these meetings with the District, they lump all the wells in Leeds together. But we don't think we're lumped together. We think that the LDWA well is more constant than ours. We've lost a spring and Allen Howard has lost a spring and Angell Springs has lost the Spring. You know their water, specifically, has gone down, but your measurement shows that the LDWA well has not gone down. So, we've just said no there's a division like the Grapevine Wash, they use these drainages as

divisions, that separates us from your Well, so we can't be lumped together down here either. I just mentioned that because, I've said like last year our well started at 72 feet and now it's not rising above 85, but in the beginning it was 55 when it was first drilled, which would indicate that over the years, there's been a decrease. So that's why I just wondered if way back when it was drilled in the 1970s, if we have any idea what the LDWA well started at.

So, what would you like me to leave with you that would make you feel better.

Don Fawson - Maybe just a quick little bit of advice. Just tell us what you're thinking ought to happen, just quickly.

Susan Savage - With our water company? I think, it's really important that we keep the data on the well level and I think it's really important that we all keep an eye on what the District's doing and that we stay in that conversation. And I think, what you're doing right now with the pumping and evaluating the size of the pump is just what the Water Engineer said we would need to do to decide how many water rights can be serviced by that Well. Because we asked him, who decides that? He said, the State doesn't decide that. So, at some point, if we reach a point where there's a concern, maybe we need to protest when these different applications come up. We need to be saying we don't know if we can service all those rights. We Just have to keep evaluating it.

Don Fawson - Yes, I agree with that, and that's been a concern to 1st) find out about the capacity we have as far as the number of rights we have and 2nd) whether we have the ability to deliver that amount of water. We don't want to get ourselves on the cutting edge of our rights and just be able to barely meet that demand. Somebody said can you guarantee, off into the future 20-30 years, that everything's going to be fine? I'm saying no, the only one that can tell us that is God himself. We don't know what's going to happen environmentally or anything else. All we can do is take the data you're talking about and try to prognosticate based on that to the best of our ability. So, I appreciate you keeping your ears to the ground and bringing this kind of information back to us because it gives us something to seriously consider and not only that, it helps us to better understand the broader scope of what's going on. So, thank you.

Susan Savage - Yes, we are a Focal point. An interesting thing that Mike Scott, who is on the City Council in Ivins said. He gave a neat report and he just said, you know, there are two scenarios. Do you plan and say - We don't have the water now for the development, but we have ideas and we think we'll have it by the time they develop, or do we say we don't have the water and so we slow down the economy? So, that's a troublesome thing, that's a worry too, to slow down the economy. He called those two plans "THE EAT WELL PLAN" and "THE SLEEP WELL PLAN."

So, I just wonder if maybe we figure some kind of an average of whatever your readings are or an average to plan for a build out. I said this to the Town as well; the Town and the Water Board need to work together and support each other so that we could work with people who might turn their farms into development to try to keep this wonderful water here, because once it leaves, it's not coming back. I've already said that if it's going into the reservoir, then it's going to somebody else out of the area.

Don Fawson - We actually are already involved in those very discussions. So, we appreciate that very much.

Susan Savage - Thank you.

Don Fawson – OK, Josh Wagstaff (Silver Point Estates) - Do you want to come up.

Josh Wagstaff - I think you guys are pretty well all caught up to speed. We had an agreement in 2010. It got updated in 2015. We've deeded over, all the water rights to LDWA already and we're just ready to update that Will Serve Letter. We've done a lot of cleanup, and we have the straight procedures going forward. We have professionals, I know there's some people in the community who don't want homes to be built and so they are forming their own opinions when we do have the professionals like Wayne with AGECE. He's done a lot of the testing as well and so we're working with it to moving forward with it and we just need to update that Will Serve Letter.

Don Fawson - Ok, I got the information from the title company. But I was having a hard time understanding exactly what this does as far as these water rights are concerned,

Josh Wagstaff - It just shows that they were, you know, deeded over with the warranty deed. They are all clear in LDWA's name.

Don Fawson - I've been trying to get caught up on a lot of this stuff, Josh. There's a lot to it and we're not in any way trying to hold you up as a as a Water Board. However, we do have real concerns based on the Cleanup Site itself. We want to be sure that whatever installation we finally wind up with, working with your engineers and whatnot, is going to be the very best to protect our water. Not only for those in the Town, but also for people that might settle in that subdivision. The other piece of that is the actual water rights themselves and that was kind of where the Kerry Carpenter thing came in. There is a kind of a history here that I've gone back through. It's about 100 pages long or something like that, kind of following the history of where those water rights came from. And I'm not saying that they're not fine.

Josh Wagstaff - And I actually was reading through some Town Council minutes today about the water rights and in that it was clear clarified again for a number of times that the water rights are fine. I could send you all those meetings as well, but I mean, you have the title report too. You could reach out to Brad Dobson at the Title Company.

Don Fawson - So he has he done research on these?

Josh Wagstaff - I gave you that over two months ago, probably something like that.

Don Fawson - OK, and I want a chance to visit with him on that. The other piece of this is in going through the transfer of some of these water rights, there was a warranty deed that was signed by Gary Crocker for the water rights, however, the dates on these are confusing. It looks like Crocker signed a warranty deed one day, on the third day of December 2015. Then on the 4th day, the next day, Elliot Sheltman (the previous LDWA President) signed a quick claim deed for the water rights sending them back to Crocker. I don't know if I'm reading this right or not. I don't understand that.

Josh Wagstaff - I haven't seen that.

Don Fawson -All I'm saying on this is, is that we just need a little more time to be able to go through this, pick this piece up and make sure that all of that is clean and clear. We'd like to work with you if we have questions on this to be able to have a better understanding. Relative to the cleanup and whatnot I've got, some concerns and again, I'm not saying that they can't be worked through. So, one of the things we did do was we went and we talked with Gary Rager, who is with the Utah Department of Environmental Quality. He's a cross connection specialist. Mark and I had a visit with him because we were looking at

putting in RP's, as we mentioned before, on the Silver Point water line. He gave us an alternative to that which may be actually be cheaper for you. It's a different way of looking at this challenge. So, we want to work with him a little more on that. There's a site inspection form in Appendix C of this site management plan which is supposed to be submitted to The State every year. I don't know if it's been done or not.

Josh Wagstaff - It's been done.

Don Fawson - Do you have a copy of that? Verification of that?

Josh Wagstaff- I can get that from The State.

Don Fawson - That would be appreciated. And then so just for everyone's benefit here, The State, it says the Division of Environmental Response Remediation or DERR, and by the way, there are thirteen different acronyms in this whole Management Plan. It drives you crazy trying to figure out who's doing what and where. It is a real challenge.

Michelle Peot - I have a diagram. I'll share with you.

Don Fawson - Good, I would like that. OK, The Division of Environmental Response and Remediation has completed a review of the site that was dated in March 2020, which includes discussion of various institutional controls, engineering controls, contingency plans and mitigation plans and the environmental covenant, which includes various activity and use limitations and maintenance requirements and the yadda, yadda, yadda. So, in going through the Plan that was presented, by your engineer it looked like it was very thorough to me. I mean it's not that we don't want to check on a couple of things, but the real question I have on this is, who instigates this? It almost seemed like what it did is it turned a lot of these actions back to The Silver Point Estates Community Association. Is that an HOA?

Josh Wagstaff - Yes, there was a voluntary cleanup that the landowner voluntarily did on the project and so as it moves forward it'll turn over to the HOA as it's, more established. The HOA will Continue to do the annual enforcing.

Don Fawson - Doris, are you ready to take over something like that with your HOA?

Doris McNally - Umm, No!

Don Fawson - I am just wondering, to me a HOA is a group of people that live in houses.

Michelle Peot - And tell you what color to paint your houses.

Don Fawson - They're, a bunch of people, nice people, that live in houses, but the problem is, that for them to be able to, first of all go through all the acronyms, read through all this, and then actually implement this, seems very onerous. Yes, Ron?

Ron Cundick - I think that's a little bit much to expect. They will never have the expertise to do that or will they have the resources to hire somebody. So that actually will not happen is what it boils down to. What it needs is an independent entity funded by the developers that has the expertise to do it and the HOA shouldn't even be involved in it. This is a perpetual thing, this doesn't end in a couple of years,

Don Fawson – Right. It is perpetual.

Ron Cundick - An HOA cannot handle it.

Don Fawson - Further on in this plan, it talks about the fact that some State agency is also supposed to be involved in the monitoring but the cost would be absorbed by the HOA itself. Again, I just have real concerns about that. The other thing is going through the steps that need to be done relative to construction and everything else that looks good on paper. There are certain types of testing and everything else that have to be done during this whole construction process. But, I just wonder if it's not an outside third party that's actually monitoring this, it appears to me that the likelihood of a person that's doing the construction, that wants to dig ditches, saying I need to call in to test this, especially if it's affecting the bottom line, just seems to be pretty unlikely.

Josh Wagstaff - Yeah, so it's not necessarily the construction company that's testing it. That would be someone like Rich White or a professional that actually knows how to test it and who is confident in doing that and they report that testing back to Dave Bird.

Don Fawson - So who would initiate that?

Josh Wagstaff - So, I guess the contractor will be in contact with Rich White, or someone who specializes in this type of cleanup would do the actual testing.

Kurt Allen - It's my understanding that it's required during construction to have the state monitor the process and have a testing person there on site at all times to test the trenches. As the trenches are being dug, they're being tested and monitored constantly and if contamination is found that is at a level that needs to be dealt with, then the contractor would be directed by the State Inspector to deal with it, even if it means putting it in the repository. So, I felt like in that same report you're referring to Don that there are mandatory regulations that are going to have to be followed during the construction process and I think that we can all be enlightened maybe on what that process is and Josh, I know you've got some professionals here that maybe can enlighten us on some of that process.

Wayne Rogers - I'm Wayne Rogers with AGECE and our group was actually involved in the cleanup portion of the project of the property. There was another group, an environmental group that wrote up the plan to remediate the project and got it approved through The State. Then we worked with the excavator just like you're talking about and it had to be done as a third-party independent person.

Don Fawson - What is AGECE?

Wayne Rogers - Applied Geotechnical Engineering Consultants. We do primarily geotechnical consulting and evaluation but also do environmental work too and so during the grading or the cleanup of the site, we helped test. We had the equipment there to test the samples. We also sent off samples to laboratories to meet the State requirements and we had to have those sent on daily basis when we were grading and putting material into the repository. We also verified that the repository was built according to the approved plan. The clay that was put over the top for the protection of it had to be tested and verified for water infiltration and so forth to meet all of the regulations that were set as part of the State's clean-up plan. So, that was our role during the grading part.

We submitted all our reports to the engineer that did the plan development and then they sent the report to the State for final approval for the cleanup of the site. At this point everything that was on that plan has been cleaned up. That doesn't mean they won't find more during the other continued part. I mean the area was a mine, so you're still going to find material that possibly could have some of those

different levels of things that would need to be cleaned up. However, everywhere we went for an example, if they had an area that they identified around a mine shaft or in some tailings areas or something like that of a contaminated nature, we would dig there and then we would clean up everything at that site, put it into the repository and then we would dig down into the native soils and test that soil to see if we had gone far enough. That was part of the process and that was mainly the testing that we did that we sent off to the laboratories in the different material test quantities to make sure they met the required minimums.

Don Fawson - I know reading the report that there was something like 300 different test holes or something like that were drilled and tested,

Wayne Rogers - Yes, there was and there's a map in their report they completed that shows the entire area where they did all of the test spots. When they got to those areas over the mines and the tailings and things like that, there was dozens of test holes right around that where they would take samples and test it. Once they identified the ones that were high, then that was where the cleanup was done. In the areas that didn't have anything there was no clean up done. So, it was a pretty good process as far as thinking through it logically and being able to go in and eliminate the contamination.

Doris McNally - And that process was completed when?

Wayne Rogers - 2013 is when most of that work was done.

Don Fawson - So, you know, obviously, that as water erosion, wind, all those kinds of things happen that actually some of the site material can surface or maybe even be pushed further down, either way. But Josh one of the questions I have is with this Silver Reef holdings, who currently owns the property. What prevents them from just selling this whole thing off once they get some of this completed and then having some group come in that is not really familiar with the requirements of this project and the required processes including what needs to happen, picking it up and then just selling it to people and then moving on.

Josh Wagstaff - It's recorded against the property.

Don Fawson - So, what is recorded against the property.

Josh Wagstaff - The VCP (Voluntary Clean-up Process) is recorded against each parcel. It's already been subdivided, the subdivisions are already done.

Don Fawson - We know that?

Josh Wagstaff - And so it's recording against the property.

Wayne Rogers - So, it's not going to be lost in the transaction.

Doris McNally - It's going to be transparent to the first parcel owner or the potential parcel owner?

Wayne Rogers - Yes, right, it has to be through the title reports and so forth.

Doris McNally - And the title reports would call that out. I guess I'm a little suspect, having moved here recently and seeing how problematic title companies are in not disclosing things and I had a lot of things,

when I was sitting at the table with my pen in my hand hearing all of these things that weren't disclosed to me in title. So, I guess I'm a little suspect of title searches at least in this State.

Wayne Rogers - Yeah, I can't speak for the title companies

Doris McNally - But still you're saying it is very transparent with the title companies.

Wayne Rogers - Yes, and then also as far as during the grading portion like that having a third party, it would probably be no different than what the cleanup process was. It was AGEC that did the original work. We were hired by the development and people to come in and monitor their work and do that and so that would be the same type of thing during the grading and construction where we would have our instruments there and checking, taking samples, we have guys that are experienced in doing that.

Don Fawson - So, Josh, would you have any objection if in fact this finally goes through to having the water company make a statement that this was a Superfund site and list the kinds of things, they need to do to mitigate their own property as they go through installing water lines and those kinds of things?

Josh Wagstaff - Who do you want to make a statement to?

Don Fawson - To the person buying the property, before we issue a water connection so we would be absolutely sure that they knew everything that was going on there.

Michelle Peot - So, amend the CCR's and homeowner's covenants.

Don Fawson - So, that was another concern. In the plan it states that the government entity or whatever said, "we do not relinquish our immunity". And so, the whole point here is that we want immunity as well. We don't want to be in a situation where people come in down the road, there's lawsuits based on lack of full disclosure or whatever. We don't want to be on the other end of that gun. I'm not against development, just against unmitigated high-risk circumstance.

Michelle Peot - You can't though, based on the standard VCP template. When you get a certificate of completion after all of the 146 stickers are done, the only release of liability is for the developer; property owners, and lenders. There's nothing in there for The Town, or for all utilities, based on the standard.

Don Fawson - OK. Well, that's my biggest, concern relative to LDWA.

Brock Riding - Yeah, I'd like to add something, I'm one of the partners in the project, and I come here a little bit frustrated. A few of the things that you mentioned, where you don't want to get in the way of this and I appreciate that, but we have been here multiple times and we have met your requirements, we've voluntarily done more than any landowner here I would presume. Spent seven figures cleaning it up. The property owner has shown a very willing track record to do what is right with the environment. And so, you know, I'd appreciate a little bit of leeway to understand that we're trying to do everything that is right. And I would bet that you have water lines and homes that have larger problems than that property does. So you have some liability there as it stands unless you have hired environmental groups to go and do some cleanup. So it does feel we're just being held up. So, when you say you need more time, we've hired a title company to show that we've brought the water, it's all legal it's 100% in your organization's name, we've paid well beyond \$1,000,000 voluntarily to go and make sure that we have cleaned up an environment impact that was left for us to do and we've reported against titles. I don't know what more could be done or what more could be shown, and I would really like to know some kind of a guideline, some kind of measuring stick so that we know that we can move forward. We've been

issued a letter twice in the past and the only thing that has changed is we've done more clean-up. So hopefully you can kind of understand my frustration to not have a Will Serve Letter at this point.

On top of that, we feel like there are citizens who have just trampled on our rights up there. They have trespassed, they have taken property, they have destroyed property. It is super frustrating, and you know, we would like to be able to move forward and get the use of the property that we paid for.

Don Fawson - Yes, and that's one of the things that we've talked about too is because I understand that frustration. I understand property rights, and I believe in them. And so, one of the questions I had asked Josh was relative to sewer and those kinds of things, if that is something that is in the background and it's taking a little while, then our issue is not going to be a problem, if we take a little time because it's basically not being held up by us, it is being held up by other things.

Josh that's another thing I'd like to ask you while we're on this. You apparently have the assurance from the Health Department that you can put a temporary sewage disposal or something up there.

Josh Wagstaff - So, in the construction drawings that were approved, there are three of the lots.

Don Fawson - I saw the site but described that to me.

Josh Wagstaff - So, if we decide to go that route instead of sewer then we would work with the Health Department to finalize that site because right now the construction drawings are kind of either way, where we could tie into a sewer or we could do a temporary treatment and tie the sewer once available.

Don Fawson - So, again do you have any idea what that might look like? I mean, it's not a sewer pond up there or something, is it?

Josh Wagstaff - It would just be underground, like a large septic system. But with extra tanks and pumps, it actually works sort of like a treatment facility where bacteria eats the sewage and it works its way till it's clean enough, then you inject it into the ground.

Don Fawson - Any smell attached to that?

Josh Wagstaff - No, it's all underground.

Don Fawson - OK, so one of the things because we're not professionals at this. We're just people trying to do the best we can, I want the opportunity to be able to talk to the title company and see exactly what and how they come up with whatever they came up with. I don't understand it. Just to be able to verify that that's there. From what I understand, the reason that all of this was held up in the past was the water rights. I went through that history as carefully as I could and what I found is that there were, for instance, some water rights were used as collateral for loans that people have taken out and so they couldn't be used, and some rights actually went with property over to Ash Creek. Ash Creek really didn't want them but, in Utah law, if you sell property and it has water attached to it, the water goes with the property, unless it is specifically stipulated otherwise. So, there was a process they went through to have those water rights transferred back to Crocker Holdings. So some of that delay was just the time necessary for the process of trying to verify those rights. And then what happened, as mentioned in here, there were three specific water rights, one was five-AF and one sixty-AF and I think one was forty-AF or something like that; that were pulled from larger rights because people actually owned sections of those water rights. So, all I'm trying to do, like I said, is to make sure that this all happened correctly and legally. Then when you have these date problems down here where water was warranty

deeded to the LDWA and then all of a sudden, the LDWA Quit Claimed it back. We just have got to get that straightened out.

Brock Riding - That's fair, we would just like to know you trust, but verify. So, I'm, great with that. We would just like to know what is reasonable, do you need two weeks, do you need three weeks, what's reasonable so that we can move forward because as it stands with our construction plans, as long as we can get a notice to proceed with the Town, we could move forward as soon as we have water.

Don Fawson - So is the Town saying that.

Brock Riding - No, I'm just saying we have construction plans that have a sewer treatment in them. So, we likely could move forward if we were to have water.

Don Fawson - And so one of the things I wanted to ask on your construction drawings, I mean it shows two sources of entry for water from the Leeds Domestic Water Users Association. One up high than one down low. And are you going to build out that entire hill?

Brock Riding - I'd have to look at the construction plans closer to make sure. But typically, you know when there's so many dwellings, you have to loop your system. So, I don't know what that requirement is for sure I'll talk to my guy.

Don Fawson - So we need to know that. The other thing we want to do is to talk.

Brock Riding - I would say we need to plan on looping it because we intend to continue.

Kurt Allen - Looping the system is required in your phase one.

Brock Riding - Yeah so, I would plan on that?

Michelle Peot - Did the original requirement change from LDWA that they had to have a Certificate Of Completion because the no further action letter is not the same as your certificate of completion and that's what I have in this LDWA doc.

Don Fawson - Yeah, so this letter that they had.

Kurt Allen - I think the Certificate of Completion has been misunderstood by everybody that's read that certificate from the State,

Michelle Peot - They don't have a Certificate of Completion yet, they have a no further action. It's an interim.

Kurt Allen - That's correct. There's not no such thing as a Certificate of Completion.

Michelle Peot - No, no that's not correct. There is a Certificate Of Completion and because they have a multi-phase project, they would not receive that until they completed all of the remediation of the 140 lots.

Kurt Allen - That's correct. That's what I was going to say is that Certificate of Completion has got to happen after all the phases of the project are complete. There is no such document at this point.

Don Fawson - You guys are talking about two different things. Those documents do exist on the State level that hasn't been issued so.

Michelle Peot - That is my question. because the way it was stated it says Certificate Of Completion, is that not LDWA requirements anymore?

Don Fawson - If in fact that's in policy, then obviously that needs to be looked at and that's something the Board can change. It's not in the Articles Of Incorporation, but it does say this letter applies only to phase one development boundary area and the repository, both of which are part of a larger subdivision, and so forth and so on. So as long as the State feels that that's OK then to me at least, that's not as big of an issue as some of these other things.

Ron Cundick - How many lots are involved in this first Phase

Brock Riding - 22

Ron Cundick - So, if you went to 23, would you have to do more remediation, what would happen at that point?

Brock Riding - We would just have to get a no further action letter on the next phase, the cleanup has been done on phase two.

Ron Cundick - Have you done the clean up on the entire subdivision already?

Brock Riding - No, just phase one and two.

Michelle Peot - There is no documentation on the DEQ website for phase two yet, are those rolled in together because everything is labeled phase one?

Brock Riding - So, the no further action letter is just for phase one. Phase two cleanup have been done, but we don't have a no further action letter for phase two.

Michelle Peot - I don't see any documentation on the DEQ website that relates to phase two it is just for phase one

Kurt Allen - Right. It was all done as phase one.

Michelle Peot - Got it. OK then I'm sorry.

Ron Cundick - How many lots are in Phase two.

Josh Wagstaff - I think it's another 22, but that plat hasn't been recorded and we're not working on it.

Ron Cundick - I guess my concern is if you've done the cleanup and you start building, and you build to a certain point you still got lots you have to clean up for, when you go back and do that cleanup, is that going to be a problem for the homes that are already built there? Spreading the dust around?

Josh Wagstaff - So that's all part of the Site Management Plan to make sure that's still safe.

Ron Cundick - I just don't see how you can do it.

Wayne Rogers - Part of the management plan has dust, storm water, everything has to all be monitored and watched as they do the cleanup so that it doesn't affect anybody around the area. So that's all part of it.

Ron Cundick - I am just concerned you have houses and then you have people living right here and then you've got to go across the street and do more clean-up. It would be a little concerning.

Wayne Rogers - It's really already been done. It's just doesn't have the letter done yet.

Michelle Peot - It's not done. It's done to their remedial action plan.

Wayne Rogers - Yes, it hasn't been submitted to the State with all the others,

Michelle Peot - But there's still a lot of residual contamination there. And there is a Plat Map that shows this. So, for example, you have to keep 6 inches of soil cover on multiple sections of properties in order to contain the contamination. There's also a number of sites on here with gamma radiation greater than 32 micro roentgens per hour. The remedial action plan only goes so far and then a lot of the additional cleanup comes when you do the Site Manage Plan which is now turned over to be administered by this HOA. So that's my concern. It's not the development, it's the environmental health aspects and then what happens down the line if we start having a cancer cluster with reducing or destroying our property values and our own health.

Kurt Allen - These are all fair concerns. We need to stay focused on the item at hand that's on the table and that is the phase one, 22 lots and the cleanup has been done to it to a certain point for phase one. The continued mitigation of the cleanup would continue through the construction process and so we have got to trust in the system.

Michelle Peot - I am just reiterating the Concerns. It's not just my concerns.

Kurt Allen - Well, there's a system in place and I think that we need to trust in that system to take...

Michelle Peot - I understand, but I think it is important to point out, I went through and looked at over 1700 voluntary cleanup sites across multiple states. There is no other example of somebody trying to do volunteer cleanup on a uranium site or a site with Radium 226. This is unprecedented. So, I think we need to be very conservative here in moving forward and I'm concerned that DEQ has maybe played fast and loose here and there should be more rigor because we're setting a precedent and I'm nervous for my health and our community's health.

Kurt Allen - That's a point well taken. I think that we're all concerned and we're all being very conservative. As you can tell with the discussions that we've had, we're all concerned about it with the system that's in place has expended over \$1,000,000 to be concerned. And so, you can't say that they're not concerned.

Michelle Peot - It's not a money issue. Because they came in knowing that it was a uranium site, and it was unprecedented and just throwing money at it doesn't make the environmental aspects go away.

Kurt Allen - It makes them concerned and that's what your point was.

Michelle Peot - Take money into Bitcoin and I know I'm taking risk. You put money into cleaning up a Uranian site, that's never been done there's going to be a lot of risk and potential liability. To the Town, to you,

Kurt Allen - There's a lot of "what if's" and I think we need to stay focused on the issue at hand and that's the first phase of this project.

Michelle Peot - What rigor needs to be done in due diligence before we approve water. That's the issue at hand.

Don Fawson - I think that that's a good point, but I'm going back to what you were saying that you need to have some understanding of what that is and then we can talk about rigor, and we can talk about all that stuff. But that has to translate into what does that mean so that it can affect you know both the property owner and taking care of the concerns that we have with the Town.

Brock Riding - You know we're concerned about it too. Obviously you know because we work very hard to meet every standard that the State has set and as far as I know, I'm looking for a bar here and that's the bar that has been set and even met that and so that's where we're at with it. We would just like to go ahead and continue to move forward with knowing that we have more work to be done.

Don Fawson - And I think too the idea of a Will Serve Letter isn't just a blanket, "Yes, we will serve you." We can put contingencies in there that are reasonable, but also affect what needs to be done relative to not only what's there now and what's in the future and what people have a right to know and those kinds of things.

Michelle Peot - If you're going to move forward with this, what I would strongly recommend is that you have the Site Maintenance Plan amended to put your water infrastructure things in there, because that would be the most legally binding document.

Don Fawson - OK, let me talk to you more about that too. What you're thinking on that, I'd appreciate that, Michelle.

Cindy Neubauer - I'm concerned about the homeowner's association (HOA) at some later point being responsible for this. I think that's a big responsibility that most people would not be able to handle. Is there anything legal we could do to put up a separate fund, that would maintain this area.

Brock Riding - The plan would be that they would hire a third party after they are substantially complete, and the annual inspection is pretty much a minor thing. But once you've gotten through all of the construction, you know you've uncovered everything that could possibly be down there that would ever be disturbed and treated any findings at that point. It's just kind of an annual review and then you would get your actual completion at some point. In that process, we don't feel like it would be really cumbersome for an HOA, and we would still be the controlling majority of the HOA until we've sold 50% of the lots at least.

Don Fawson - This mitigation document was very lengthy and very thorough. Is there a possibility that you could send that in some type of form that we could actually post it on our Website.

Josh Wagstaff - I mean, we can put it in a PDF that people could just download and go through. It is super lengthy. It is not as complicated as it appears on the surface. They cover everything they can.

Don Fawson - I know for me at least, I still have questions. But nonetheless, the thoroughness of that was impressive to me, and I think that for some people it would help, and not only that, allow them to bring up additional questions. So, again, if there's some way that you can give that to us in a PDF, we can post it on our website and then people can access it from there.

Brock Riding - I think that it's worth noting, if we're going to add measures or do things, above and beyond on this site. I think there ought to be some other measures taken throughout the Community and other places that are actually working on.

Don Fawson - That is an interesting challenge. I mean it's kind of like I mentioned this before 'you have electrical standards for instance we still see knob and tube wiring out there and you know trying to go back isn't realistic. Part of the problem is you and we know what's there in this development. We know what's there now and for us to do nothing is not OK. Ignorance in the past has driven some of what we currently have. So, I want to talk to your design engineer as far as the water system is concerned. I don't know who that is, but if you can put us in contact with him, we've got some ideas that we think are reasonable and that can help to isolate any problems or anything that we have out there, if in fact we go ahead with this.

Brock Riding - And one last point I would like to make, there is a benefit to us going and developing that property, because we do clean up what is currently there. Otherwise it is there so there's people hiking and walking all over the property constantly. And if we do nothing, your community is still dealing with that. So, there is a benefit I guess is what I'm saying to us going forward.

Don Fawson - Let me ask you this, would you live there?

Brock Riding - Absolutely, yeah, absolutely. I love Saint George though. It's just a little bit warmer.

Ralph Rohr - Back in 2014, I observed all the grading equipment and so forth that was done in the cleanup, the gathering of a lot of material and putting it over in that storage site. Now at that time, all the grading and all the activity I saw was down on the lower parts. This phase you're talking about is on top. In 2014 I went up there myself and checked it with my guider counter and there was extremely high level of radiation. That is solid bare rock up there. I went back again this past week, and nothing has changed in nine years. It's still the same. The same pit is still there, and the radiation measured at the bottom of that pit is 500 micro-Becquerel per hour, which is incredibly high. No remediation has taking place up there. All of their remediation has been down on the flat on the lower parts and now we're told it's remediated, and we want to build on the top. And how do you build up there?

Don Fawson - Ralph, I don't think that phase is up there on the top, it's down in the flat.

Michelle Peot - There are two sides

Ralph Rohr - It's on the Map, here it is right here, Buckeye Reef and the only way you're going to build on the top up there.

Kurt Allen - Where are you referring to the top on the map? Is that above the "L" Mountain? Is that Buckeye Reef? I don't know.

Ralph Rohr - That is where the Large Frame and the Small Frame mines are as you go around Silver Reef Rd.

Kurt Allen - So you have got the mountain with the “L” on it right here and then on the other side of it is the Large Frame. And up on top of their ...

Ralph Rohr - There is a big pit up there, have you seen that?

Don Fawson - Oh, yeah, I know exactly where that is, Yes.

Ralph Rohr - So you know where I am talking about

Don Fawson – Yes.

Doris McNally - Michelle are you saying that document States that the phase one development is in that area too.

Kurt Allen - The phase one development does go up on the point of that mountain.

Josh Wagstaff - Phase One does start to go up the hill but it does not go up on top of the hill.

Ralph Rohr - The other thing you need to be aware of is that what's up there is solid rock. There has been no dirt put down, the hole hasn't been filled yet. The radiation is still there. And I'm not the only one who's confirmed this. There have been professional measurements done and other measurements done by Mark Kane, who was here. Mark Kane who was here at the last town council meeting. So, when I hear about the value of them fixing things up, so we'll be safe I'm a little skeptical because I don't see that.

Don Fawson - At some point can we actually go out and walk this, because I'd like to see where it really is at.

Brock Riding - Yeah, we'd be happy to do that. So, these are some of the issues that are frustrating. You know we've got community members going up and testing. Those who I feel like their motivation is not to help us or who don't want to make it better, but to stop us and so I take a little bit of issue with that, and I don't appreciate the trespassing either. But we'd be happy to go walk the site and if we know of a place that a third party has tested that we need to clean up that is in our plan in the future just as we've shown in our track record of doing it in the past.

Don Fawson - Yeah, I think there needs to be some level of trust on both sides here, that there is concern but hopefully some good will and I know there are some people that want to drive the no growth kind of thing, but we also know that's not reasonable.

Michelle Peot - I think some of the distrust also is that there was not a lot of transparency about the toxicity of this land. Even the Washington County Water Conservancy District waited 10 years to send out a letter notifying people that this radiological survey came out and they did not state or summarize the findings or anything, they just said this exists you can come down to our office and read it and that has never been recirculated. The only reason I know this is because I spent hours reading all of this documentation and it was pretty eye opening.

Ralph Rohr - The first report in 1995 recommended by experts that this area never be developed residentially because of the high radiation. That's the expert surveys that have been done by more than one person since 1995. I have problems with being told we shouldn't trespass, people have been walking up there for at least the 16 years I have been here. That's like public domain.

Michelle Peot - I don't think most of us even knew it was private land, we thought it was BLM

Ralph Rohr - That was until yesterday, when I saw some signs go up.

Don Fawson - Yea that is really true, I mean we've lived here for over 55 years and we've always just thought that was a great place to walk and hike. We've never gone up there with the intent to create problems for anybody. But anyway, I'd like to walk that and anybody else who is interested to kind of see where this is going to be.

Brock Riding - When do you want to do this, this week or next week or what time.

Don Fawson - Tomorrow

Josh Wagstaff - Can you do tomorrow morning?

Don Fawson - Morning is a nebulous thing. At the crack of 10? Can we just meet you at the Post Office at 10 and drive up from there. OK, any anything else that you want to share? Again, we need your engineers information to get hold of them. Anything else? Michelle, if you can come up with any other information that you have, I'd appreciate that.

Michelle Peot - I can share some of the things that I found in the remedial.

Don Fawson - If you have any contacts at the State that you have talked to.

Michelle Peot - I've been talking to David Bird who is with DERR.

Don Fawson - Please send me his information too. We're just trying to do our due diligence.

Brock Riding - If you have any documentation that you're going to share, I'd love to see it too.

Don Fawson - OK, do you have a card or something for contacting information?

Brock Riding - I don't, I'll get you my information tomorrow.

Kurt Allen - Just a question for Wayne that might help in this site walk. Would Jake happen to be available, and would you guys be willing to get him involved? He knows where the cleanup was. I mean AGECE did the cleanup inspections.

Wayne Rogers - Jake Harrison, is one of our PE engineers and he was on site the whole time. I didn't do it for several months. I think it would be advantageous to have him there. I met with him tonight before I came to find out and gathered as much information as I could, but he wasn't able to make it tonight.

Kurt Allen - Would you be available tomorrow morning?

Wayne Rogers - I'll double check.

Kurt Allen - That'd be great to have someone that was there doing it.

Don Fawson - Michelle, do you have any time in the morning?

Michelle Peot - Tomorrow, I'm in a meeting.

Don Fawson - Or anybody else want to go? OK.

Ralph Rohr - I'd like to go Friday afternoon, or on the weekend

Don Fawson - Your welcome to go Friday afternoon. We are going to go tomorrow at 10. I can get back with you Ralph.

Ralph Rohr - I will come with you.

Michelle Peot - I will be there.

Don Fawson - Do you mind? These are the people that are concerned.

Brock Riding - Actually would rather just walk with you guys first and you can schedule another walk with them and talk about their concerns if that would be alright.

Don Fawson - All right, we'll do it that way. OK. Anything else? Appreciate everyone being here. And your thoughts and concerns. And with that, I'll entertain a motion to adjourn. I second. All in favor, aye. Thank you.

II. MOTION TO ADJOURN MEETING

VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
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ADJOURNMENT: 9:04PM



Layna Larsen Corporate
Transcribed

III. OFFICERS REPORTS

a) PRESIDENT'S REPORT

DISCUSSION	NEW RATE SCHEDULE
<p>Don Fawson - OK, I'm going to report on a few things. Just so you're aware, the new water rates will be implemented beginning with the April water usage. So, that will be the May bill. Basically water usage from April on will be charged using the new water rates. The new rate structure is posted on the LDWA website and will also be posted on the reverse side of the next water bill.</p>	

DISCUSSION	NEW PUMP TESTING
<p>Don Fawson - Also, the new pump has been installed in the current Well completing that project. Not only do we have a new pump, but we have a new operating system that will allow us to not only soft start the pump but will also allow us to determine the amount of water we want to pump at any given time, instead of having it just at a fixed rate as in the past. These features should save us money on our electric bills as well as reduce the wear on the pump. We tested the well at about 650 GPM for over 24 hours, with a measured draw-down of 24 feet, which is actually excellent for that amount of water being pumped. The recharge rate was very good as well. It is now ready to pump.</p>	

DISCUSSION	THE SPRING AND WATERFLOW
<p>Don Fawson - Most of you have noticed that there is actually quite a bit of water coming down Quail Creek. In fact, it's a bumper year right now. Currently we have a stream flow of 9,111 gpm and that was taken at 6:00 o'clock tonight. Plus, Mark said the Spring flow recently was about 240 gpm. So, we have a total system flow of 9,351 GPM. Our chart for Class 1 water maxes out at 2,145 gpm system flow; for Class 2 water maxes out at 2,533 GPM system flow; and then we jump into Class 3 water up to 4,552 gpm. Susan, (Savage) how long has it been since you've had Class 3 water?</p> <p>Susan Savage - I don't know, how long has it been, Brant (Jones), do you remember? We didn't have it last year.</p> <p>Brant Jones - A couple of years at least.</p> <p>Susan Savage - We usually get it for maybe a couple of weeks.</p> <p>Don Fawson - OK, well, you have plenty this year. So, the Class 3 maxes out at 4,552, so based on that LDWA's maximum take is 172 gpm from the Spring, plus the 20 gallons a minute that we have from the Wet Sandy allocation, even though the date on that right is 2020. So, we're able to take that entire 192 gpm this year and I don't think right now that the irrigation company is using all they are able and they are dumping water back into the Creek.</p> <p>Brant Jones - Yeah, we can't take it all right now. The system won't even take it.</p> <p>Don Fawson - Yes, so basically, we're taking everything the Spring pipeline can bring down and actually dumping part of that back into the Creek because it's more than we need right now. So, I think based on the rain, snowmelt and mild weather that people are feeling like they don't need to use as much water. So, it's a very good year for water.</p>	

b) OPERATION / FIELD REPORT

DISCUSSION | **MARKED LOCATIONS ON MAIN ST**

Don Fawson - Mark is excused today so I will give his report. You have probably noticed there are a lot of markings out on Main Street. Part of that is to get ready for installing the replacement lines and removing existing lines. Mark is going to be doing some potholing, and that means he is going to be out digging holes in strategic locations in order to document what infrastructure is actually in the street, whether it's phone, internet, gas, electric lines, as well as our water and the Conservancy water lines.

DISCUSSION | **NEW WELL (2nd Well)**

Don Fawson - John Files, who is our Geologist came down and located the second well site. So, we'll see how that goes. Mark and I went up and doused it, or water witched it, whatever you want to call it. And it was really interesting to kind of see the way that underground water meanders in certain spots. We agree with the site that has been chosen. That's information only for those of you that actually believe in that kind of stuff.

DISCUSSION | **REGULAR MONTHLY BUSINESS**

Don Fawson - Mark put in a new service line on Mountain Shadows and repaired a couple of Main Street leaks.

Don Fawson - BacT tests were fine, and I just went back and looked at, I guess you'd call it the full water test that the State requires, which examines about 20 to 25 different areas related to water quality and we're well within acceptable ranges on all of them.

c) OFFICE FINANCE REPORT Doris McNally

DISCUSSION | **ANNOUNCEMENTS/BILLING/COMMUNICATION**


BILLING

Billing for March was completed/mailed on April 1st.

NEWSDRIPS

The March Invoices included an article which simply shows the new rates effective April 1st.

For April's Article I'd like to ask for alignment on content shared earlier with you all regarding our 2022 Consumer Confidence Report (CCR). Every public water system is required to share (by July 1st) with their customers information about their annual water-quality. Water systems serving year-round residents are required to deliver the CCR to their customers each year. Our 2022 report is once again very favorable. The QR code in the article links users to the actual report that is posted on our website. The website also offers information about how to interpret & understand the report.



Need to contact the LDWA, it's simple.
Phone (435) 879-0278
 Please leave a message, your call will be returned promptly.

- To report an **EMERGENCY** water leak or a loss of water: **PRESS 1**
- For a **BILLING INQUIRY**, **PRESS 2**
- For a **GENERAL INQUIRY**, **PRESS 3**

Your message is immediately routed, and a LDWA representative will be in contact.


Email: LDWAcorp@infowest.com

Water Rate Structure
Rate Increase effective April 1, 2023

For your reference here are the new rates going into effect April 1, 2023.

	Lower Limit (gals)	Upper Limit (gals)	Residential Rates	Commercial, Institutional & Industrial Rates	Standby Rates
Base Rate:	0	0	\$40.00	\$50.00	\$40.00
Tier 1:	1	20,000	\$1.00	\$2.25	
Tier 2:	20,001	30,000	\$2.50	\$3.75	
Tier 3:	30,001	45,000	\$4.00	\$5.25	
Tier 4:	45,001	70,000	\$6.25	\$7.50	
Tier 5:	70,001	1,000,000	\$9.00	\$10.25	

IMPORTANT :: Please review your bills **Amount Due** as it will now vary from month to month reflecting your actual usage. This means your bills going forward will reflect different amounts due.



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Your message is immediately routed, and a LDWA representative will be in contact.

Email: LDWAcorp@infowest.com

Consumer Confidence Report (CCR)


Every public water system provides its customers with an annual water-quality report called the Consumer Confidence Report (CCR). Water systems serving year-round residents are required to deliver the CCR to their customers by July 1st of each year.

The CCR provides a variety of important information about each community water system, including:

- Water system information
- Source(s) of drinking water
- Compliance with state and federal drinking water standards, explanation of violations, potential health effects, and corrective actions
- Variances or exemptions to a maximum contaminant level (MCL) or treatment technique
- Required additional information, such as explanations of contaminants in drinking water and educational information on nitrate, arsenic, or lead in areas where they may be contaminants of concern.
- Any monitored contaminants detected in the drinking water during the past five years of sampling.

To view the LDWA's 2022 CCR use QR code or go to: <https://tinyurl.com/vcayv67d>

To learn how to interpret the report visit: <https://tinyurl.com/mnm7s6b>



SCAN ME

VOTE | **MOTION TO APPROVE ARTICLE RE CCR 2022 REPORT: Doris McNally | SECOND: Kurt Allen**
MOTION APPROVED: Unanimously

DISCUSSION	PAYCLIX						
<p>In March we had 76 shareholders pay their bills using this payment option. The total amount collected through PayClix was \$3,749.07. With 58% paid via credit cards & 42% via checks.</p>	Credit Cards		Electronic Checks		PayClix®		
	Count	Credit Cards	Count	eCHECK	Count	TOTAL	
	Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
	Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
	Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
	128	\$6,885.27	82	\$4,092.36	210	\$10,977.63	

DISCUSSION	FINANCE P&L [March2023]		
			% to TOTAL
	Total Net Ordinary Income:	\$20,497.77	
	Total Ordinary Operating Income:	\$19,632.15	95.8%
	Total Other Operating Income:	\$866.62	4.2%
	Total Net Ordinary Expense:	\$15,469.37	
	Ordinary Field Operating Expenses:	\$6,276.90	40.6%
	Ordinary Admin Operating Expenses:	\$1,54.78	9.8%
	Professional Operating Expenses:	\$1,302.50	8.4%
	Labor Expenses:	\$6,375.19	41.2%

DISCUSSION	LDWA BANKING ACCOUNTS [as of 04/13/2023]	
	CHECKING ACCOUNT	\$33,191.56
	SAVINGS ACCOUNT	\$300,111.16
	EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$228,548.50
	DDW LOAN #3F138 FUND	\$10,962.06
	IMPACT FEE ACCT	\$60,541.42
VOTE	MOTION TO APPROVE FINANCIAL REPORT: Kurt Allen SECOND: Alan Cohn MOTION APPROVED: Unanimously	

d) ADMINISTRATION REPORT

DISCUSSION	PROJECT UPDATES
	<p>Kurt Allen - Okay project updates. I met with Civil Science (WCWCD Engineers) last week and got an update on where the Conservancy District design for replacing their water lines down Main Street. They're approaching the 90% drawings. They were going to have those done within two weeks and so, by the 1st of May they should have their 90% drawings completed. After that, they're planning on sending out RFQ, Request for Qualifications, to contractors, to bid the project. They want to award the project sometime in June to a contractor so that the contractor can start following up on materials and working with the materials supplier. As we have noted in our previous meetings that the material contract went to Ferguson Supply and there is a big lead time on a lot of the materials and so Civil Science is looking for the contractor to be put in place so that that contractor can help follow up on supplies and help to facilitate that process.</p>

DISCUSSION	SPRING LINE PROJECT
	<p>Kurt Allen - The Spring Line Project is being done using Jones and DeMille, our engineers, and currently there is permit processing, environmental assessment, surveying, and design being done. Jones and DeMille and Riley Vane, our assigned engineer, particularly is working real well with the BLM, with the Forest Service and with the LDWA in doing a thorough job on getting the Spring Line designed and survey in place so that we can have that ready to go to bid.</p>

DISCUSSION	EAST MAIN ST PROJECT
	<p>Kurt Allen The LDWA East Main Street Waterline Replacement Project is basically in the same position. As Don mentioned, the subsurface investigation is being done so that the engineers can include that on their</p>

designs and have that in their drawings. I have to give Jones and DeMille credit for taking the extra effort to come out and do some investigating on the buried utilities, including those in the design, by having the accuracy that they are attempting to get through potholing so that they can get depths and horizontal locations. In the many years of contracting that I've been involved in, I very seldom see an engineering firm go to that extent to have that complete set of drawings to have those utilities located so that we're not interfering with those with the pipeline construction. So, my hat goes off to Jones and DeMille. They are making good progress and doing a very good job for us.

DISCUSSION **NEW WELL**

Kurt Allen –We are moving ahead with Drilling the New Well and working with the geotechnical engineer. They're going to be putting the well out to bid in a separate contract from the Spring Line and the East Side Main St. Line so that the Well will be under a separate contract. So, we're making good progress and pleased with the service that our engineers are giving us.

Don Fawson - Great, I appreciate that, and I just might mention, I know they have had their surveyor's up the Canyon when they are able. The snow has kept them at bay for a while. So, it has been hard working with Mother Nature.

DISCUSSION **WATER RIGHTS**

Don Fawson - I just talked to Riley (Vane) today, and one of the things that Jones and DeMille is also doing is verifying our water rights, making sure they are all registered and in the proper place. What they found was that some of our rights were actually in a Well over in Sand Hollow. So, they're working with the State right now to get those rights divided out of that Well and put them in our wells and Spring and also taking that Wet Sandy Water Right and updating it so it actually can be placed in both the New Well, the Old Well, as well as the Spring. Then we will have the right to be able to use them where they are needed. We really appreciate them working on that.

Don Fawson - Last time, in reading through the minutes we spent a lot of time on the WCWCD pump house down at the end of Town and some of those projects that are actually Town things and not Water Company things. So, this week we are trying to limit our discussion just to things pertaining to LDWA. So, Josh, do you want to come up and present what you have?

DISCUSSION **SILVER POINT ESTATES**

Josh Wagstaff - I think we worked through some things from the last several meetings. Some different terms of the Will Serve Letter. I can run through some of those just so everybody's on the same page.

1. One of those is inspections on the property - at least once a day, a lot of times even more, but at least once a day.
2. Another one is the RP valves for every home.
3. And then import fill of at least six inches underneath it and then 12 inches on the sides and above it.
4. The supply lines will be one inch.
5. The tracer lines will be installed.
6. Provide as built drawings after the construction is done.

So those are some of the terms that we are ready to commit to with the Will Serve Letter,

Don Fawson - OK, I'm just going to open this up to any member of the Board here who wants to talk about issues that they are concerned about.

Alan Cohn - I guess my question is so you're talking about RPs at each house but I guess my concern is completely isolating the water system from potential contamination during construction, during pipe

installation, even before it hooks into ours, or in the case there's a leak creating a chance of something getting sucked in. I personally would like to see some kind of an air gap or something, or even a storage tank at this site to basically isolate that area from the rest of the water system to eliminate downstream contamination. Can I prove that might happen, no, but you can't prove it's not going to happen either.

Josh Wagstaff - We've talked about adding some extra valves and stuff, some extra shut off valves to isolate more sections of the project if there ever is a problem. So, if you want, we can go over, the construction drawings and see exactly where some extra shut off valves might be beneficial.

Alan Cohn - When you say, some inspections, I am thinking they would have to be a completely independent authority. Not someone hired by Silver Point.

Josh Wagstaff - It'll be similar to the cleanup. It's a third party, that has to inspect it.

Don Fawson - Kurt do you have any input on that piece?

Kurt Allen - Sure, I believe Jared's probably going to address the same thing. In the report that we've all received there are certain guidelines for the construction process and of course there would need to be a third party or independent inspector on site to do those things with the certified equipment to be able to monitor what they are finding as well as that person would need to have the authority to be able to shut the job down and make adjustments, if needed. That's similar to what was done in the cleanup process and has been taking place so far and so I think that as long as that continued through the construction process, I think that's what would be expected.

Jared Westoff - I think we can get really specific with the intent. The intent would be to hire AGEC who is the same group who did the inspections during the cleanup. We're typically used to these types of third-party inspections as we're doing soil and soil compaction. For instance, on one project we are using Landmark. So Landmark is doing all our compaction testing, but we also have a different part of Landmark that's also doing our Stormwater Pollution Prevention Plan (SWPPP). So, we have a different inspection that's happening with the SWPPP. We hired that third party and we like it that they're constantly telling us "no" or "do it this way" or "you can't do it that way" and they make sure that we're doing it right. We think it makes sense to hire AGEC because they've been part of the cleanup. They understand the process that we went through with the State on that, and we believe that they are already uniquely familiar with the property and with the process, and we believe they would be the ones that have the right expertise to make sure that it was being done correctly.

Alan Cohn - I think I'd have a little bit of a problem with that being that they already have been involved with the cleanup. I'm talking about hiring some completely independent, new, coming from outside company. Someone who hasn't been involved in this before.

Don Fawson - Did the State have anybody here on site during the original cleanup?

Jared Westoff - David Bird was the one overseeing the cleanup and he's a very meticulous individual. We ourselves were not here when the cleanup was done. So, the actual day-to-day of that was at that time I believe Rick Sant was managing that. And so that particular question Don, I don't have institutional knowledge of how that was done, but we know that the process is typically a two-year process and the meticulousness of David Bird and what he did there, it took quite a bit longer.

Don Fawson - So Kurt you had some knowledge of that, was anybody from the State here on consistent basis.

Kurt Allen - Yes, I could shed some light on that, the State did have a representative here with a monitoring device as well as did AGEC on a daily basis. They weren't both here all the time, every day, all day, but they were consistently here, monitoring the process.

Alan Cohn - So Kurt were they monitoring just for elevated levels of radiation or were they monitoring for air quality, looking for particulates in the air like lead, mercury or particulate, Radioactive material.

Kurt Allen - They did monitor the air quality at the same time they were testing the soils and they were directing the cleanup process. They were in complete control. They were in charge and calling the shots of where to go, what to do, how much material to take out, and what to do with it at the time, as well as monitoring the air so that the dust control was taken care of and the particulates in the air were controlled. They would have the contractor go to the extent of actually bringing in a water truck and washing the rocks off so that there wasn't any dust or particles left on the rock that would be contaminated material and so the contractor would have to collect all that water that was washed off and dispose of it into the repository.

Alan Cohn - So that was hauled off, the wastewater?

Kurt Allen - Yes, the wastewater was hauled off and deposited correctly.

Don Fawson - So I think one of the things we're all concerned about is that this will be done according to the specifications in the Site Management Plan (SMP) and that the people doing the inspecting and the people doing the work don't cross the professional line and become too friendly and allow things to just kind of slip by. I mean, we're all concerned about the monitors and who they're beholding to. So, if AGEC is hired by you and that's where their income is coming from, then what is it that assures that they're independent.

Jared Westoff - Because they are professionals, their license is on the line. We will do it however you want to an extent. This is a serious process that the State has prescribed that has been followed and we are going to continue to follow the State prescribed process. We don't want to reinvent the wheel, make something up. We want to take a serious endeavor and continue to do it in a correct and appropriate manner, but we're not going to jump through and dream up all kinds of new ways to do stuff and all of that. So, as long as we're doing it within the correct process. Now I don't particularly understand the point because Landmark doesn't tell me what I want to hear because I hire them, they're making me excavate 8 feet right now and I think it's ridiculous. But they are my soils engineer and their liability is on the line, and I want their opinion. So, I'm following it even though I don't like it and I can tell them I don't like it all I want, and they don't care. They tell me how I got to do it because it's their license on the line. So, whether we pay them or we pay you to pay them I don't think their story is going to change. So, if you would rather us pay you to hire them to do the inspection? Are they going to all of a sudden do what you guys want if you dream up something crazy? I don't think so. I think it's their license on the line and they're professionals. So, if you would rather pay them and have us pay you or reimburse you, OK.

Don Fawson - Jared, the thing that we're trying to get at here is we're wanting you to build confidence in our decision, and need all the help we can get to allow us to do that, this is serious stuff. So, we just want to have that be our common goal. One thing I might mention, Alan, is, I don't know if you know Gary Rager, but he's with the State Department of Environmental Quality and is their Cross Connection Specialist. I visited with him at the Rural Water Conference recently and asked him what he thought about the situation with SPE. I mentioned the possibility of creating an air gap, since an air gap is absolutely the best cross connection prevention. He said you could do that, but he didn't seem to think that was actually that important. I then talked to him about putting RPs on the main lines and he said I wouldn't do that. He said putting them on individual homes would be wise because people can

contaminate their water around their house and then possibly backflow water into your system. He said you might have the developer put gate valves on the main line every 500 feet, below the hydrants at the lowest point. That way if you have a break, you can isolate that.

Alan Cohn - you can cut off that section, right?

Don Fawson – If you have a break and water flowing, you shut that section of line off at each end of the 500-foot interval and do the repair. Then you open the hydrant on the low end, and you open the valve on the upper end and you back flush the line and you flush contaminates out. He said he felt that would be the best way to go.

Jared Westoff - So, Don on that, do you guys just want to redline the construction drawings. We will update the construction drawings and resubmit.

Kurt Allen - Maybe I could shed a little bit of light on the process stage at which we address the valve spacing and the physical parameters of the project. We would review the construction drawings and redline those and make those changes during the review of the Construction Drawings. As far as AGEC being a professional company, I might say that I've worked with them for 20 years in the construction world and they are very professional. Last week you heard from Wayne Rogers from AGEC, and he is one of the principals in the company. They are very trustworthy. They do a very good job and I agree with Jared that they don't make their decisions based on who's paying them their paycheck.

Alan Cohn - Forgive me for being a little cynical, but people are human, and I find when developers are involved, things can go sideways. And again, this is a big deal. I really think it has to be a 100% independent person who has never been involved with any of this or any of these people. Coming from outside, I've seen the “quote, unquote” yearly inspections that have been done. They're not great and I've seen reports that I don't know if they're realistic. I see holes in the fencing, I see animal burrows there and all. I'd like to see someone who's really ready to come down and do real inspections while this is going on? There's a lot at stake. You guys will be gone at the end of the day. The Water Company and the Townsfolk will be left holding the bag when something eventually goes wrong. I'd rather see it done right, up front.

Layna Larsen - I have a question. What happens since they don't own the mineral rights underneath this property. So, what happens if the people that own the mineral rights actually decide to mine underneath their development? Will vibration from mining affect anything with the development? The Water lines? The housing stability? The little bit of dirt that is supposed to be covering the contaminated dirt.

Jared Westoff - We develop on land all across the State that we don't own mineral rights.

Layna Larsen - Have you had a situation where the mineral rights owners actually come in and started mining, because there are mines that are actually here at this development site.

Alan Cohn - Good question.

Layna Larsen - I would like to know what would happen to water lines, the plumping, the houses, how would they be affected from vibration? Will the material you use for the water lines determine the safety of the water line if they do mine under or near the development?

Kurt Allen - I Would like us to come back around to the water issues here and concentrate on our water trench and our water system and the protection and the health and welfare of our water.

Michelle Peot - That would directly impact the water.

Layna Larsen - That's what I thought. That's why I was asking the question.

Michelle Peot - That is a legitimate point.

Kurt Allen - There are mineral rights owned under a lot of people's property, a lot of people's homes throughout the entire state, again let's come back around to the water issue.

Layna Larsen - Not with a mine underneath them, that is why I am asking this question.

Michelle Peot - It is a water issue.

Don Fawson – Obviously, we want to have some input and have people share their ideas, but we need to do this in a formal manner.

Doris McNally - I have some questions if you don't mind. Since the last time we met, Paul Wright had sent us a letter. Can I get an update on what is going on with these discussions?

Don Fawson - Were you familiar with that letter from Paul? (Addressing Jared Westoff)

Jared Westoff - You told me about it, I can address where we are at.

Don Fawson - It's right here, I've got it. So, let me just read this to you. This is from Paul Wright and he's the District Engineer Southwest Utah District. And he addressed this to me,
" I know we have talked about this development a few times in the past months, and I know there have been several folks with concerns about it in Leeds. I was talking with someone out of Salt Lake who works with the Division of Environmental Response and Remediations. He mentioned that Josh Wagstaff, the developer's representative, mentioned that they might be ready to start construction. Of course, that is just hearsay, and I am not sure what he said exactly, but I wanted to bring it to your attention and make sure that you understand that if that is the case, I have not approved anything with regards to the water system portion of the design and I don't think that wastewater has been approved yet either. It has been several years since anything was submitted to us on both of those and things would certainly have to be updated and submitted. "

Does that seem reasonable? So, I guess I, I don't know exactly how the process works in this thing, but obviously he's a person that has to look at this and approve it as well. Have you worked with him before?

Josh Wagstaff - I haven't, and that e-mail hasn't been forwarded to me either. That process is fine, but no one has contacted me about that.

Jared Westoff - So, Don the way we would typically see this process unfold would be that we, the developers, would come and get a "Will Serve Letter" from LDWA and in that "Will Serve Letter" we would expect some standard language and anything else that was specific to the project. Part of the process would then be for you to review the Construction Drawings. You guys have the Construction Drawings now. So, before we can get service, we've got all these check boxes that we've got to complete based off the "Will Serve Letter." One of the checkboxes, at least that we're familiar with in most municipalities, is that we complete any updates to the construction drawings. As the construction drawings are finalized between us and you, we would typically have the water purveyor forwarding those drawings to Paul (Wright) and have him approve those working the two of you before the Construction Drawings are finalized. So, that's what we're used to on the sewer front which is my focus. We're used

to going and getting sewer and water system problems solved like a co-equal checklist item on our list to get done.

Doris McNally - Lets stay on the topic of culinary water because really guys, that's what we're talking about is culinary. So, let's stick to that. That's where my confusion is in reading Paul's e-mail. It made it sound like he had the first step of process or approval before we do. There is a confusion there, I don't think we are going to solve that tonight, but I would like to know which comes first, the chicken or the egg? Because clearly Paul's letter made it sound like he needed to give some kind of approval even before we can do anything.

Jared Westoff - Paul doesn't want to approve a set of drawings that aren't final.

Doris McNally - OK

Jared Westoff - And my view of the most efficient way is to make sure that we are meeting your standards. Once we've met your standards and updated the construction drawings. Then they go to Paul and Paul goes, OK, I want this, this and this, and then you would turn back around with red lines to us and then...

Doris McNally - Jared, are you saying that you needed the "Will Serve" along with diagrams and that's the subtle difference in the conversation. I'm just asking, which comes first in the process. If you're saying that he gets the diagrams and then he gives us what we need to be able to do the "Will Serve." I just want to understand the process.

Jared Westoff - We're used to the "Will Serve Letter" first, then we go through a little more detailed issues of actually designing.

Doris McNally - I just like to validate that because my interpretation of Paul's letter was a little bit different.

Don Fawson - Let me make comment on that too, we have let's see, Carl Rasmussen had come up with a preliminary design for a chlorination system. And we had the plans on that, and I talked to Paul about that, and he said he had sent Carl a list of things that needed to be addressed relative to that so it was kind of like the drawings first, then it went to Paul, and then it was resolved.

Jared Westoff - Sorry, I didn't understand what you were asking.

Alan Cohn - So the "Will Serve" falls in that order that comes after it comes back from DDQ is that right?

Doris McNally - We need to have that flushed out; I think. If I may, I have another question. When I was at the Rural Water Association conference and on some of the phone calls I've been making, I've been asking about the pipe bedding. My question has always been, this is a unique situation, this is not a standard installation, this is a unique situation. It's a remediated area and are there different standards for that than the average development. I've been told "yes" verbally, but then when I ask to get copies of what that bedding needs to be it becomes crickets. So, I would love to know if anybody here knows if there's a way that we can identify, is there a separate bedding requirement for an installation of pipes in that area based on an unusual circumstance? Is there a difference? Like for example, in a normal town with no issues it might be 6 inches, in something like this it would be 8 inches. Of course, it's clean dirt, I know that I'm not a dummy in that way, but I'd like to know is there extra isolation that needs to occur because of that unusual condition and is there a standard guide. The reason why I'm asking this is because alluding to what Alan asked, we have got to figure this out together. You build the development,

you passed the responsibilities on to the HOA, the HOA can come or go. OK, 15 years down the line, a homeowner gets sick, a homeowner wants to extract his pound of flesh from somewhere and ultimately it could potentially come to not only us, but others. What I want to make sure of is that we have documentation that we have done what the State and the Federal Government required to be done. Without that assurance, it's really difficult, because, in my mind, it's an exposure.

Jared Westoff - On that particular question we've written it down, we will find out if there's a different standard. We do have a consultant engaged that helps us with all those questions.

Doris McNally - Will you get it documented for us? That's a very big and important item here. It's not just a verbal response, it's documented.

Jared Westoff - We do things that make sense and as has been suggested, we'll get the depths of the bedding. We do think it makes sense what's been proposed 6 inches, 12 on top and that it be a different color. That way whoever is doing the inspection can easily measure and keep up to make sure it's being done and using different color of fill so it's not something that could accidentally get mixed in with native soil or a contractor just gets lazy and says I'm just going to take it from that pile. So, we need to import it from off site. We get that we need a different color so we could make sure that it's done right, but we will check to see if there's a different standard on the depths. We are not aware that there's a different standard.

Doris McNally - I have been verbally told that on three occasions by three different people, but when I press them on that documentation, they don't supply the material. So, the question has now been put into my mind, I'd like to at least have a definitive answer and then if I may, just one more thing.

Also, some background for the shareholders in attendance. The initial agreement for the water shares was back in 2010 and very shortly after that the then President, Ron Cundick, actually signed the first water agreement with Silver Pointe Estates. Then in 2015, Elliot Shelton, who was President at that time, signed the second water agreement. So, the past discussions are documented between the two, but there's also been a tremendous amount of time between the last water agreement and this water agreement. So, I'm saying this mainly because you have a whole different group of people here and we're going through a learning process of doing due diligence the way each one of us want to do it. It is not personal in any way, we are just trying to do our best to get up to speed on what the history has been, but the history is there. Town Council and the mayor signed off on the plat back in 2016, so the plat has been signed off by the Town. My little HOA has 27 homes up here, if somebody puts a new build Diagram on the table, they only have a year to start building. If they don't build within a year, they have to go through the process again. So, it's been a lot of years since the water agreement was last signed. So please understand the questions that you are hearing, at least from me, are very directed and just being factual. I just want to know what we need to know to be able to make an intelligent decision to protect number our assets. Another one of importance for me are the shareholders in this Town. So, if you have questions about my questions, you can come to me and ask me, but that's why I'm asking very targeted questions.

Jared Westoff - Thanks. Great so, on that note, when we got involved in this process, we saw that there was a plat recorded and that there was a bond already in place. So, we looked at that, and in our world that means a lot of this stuff that we're going through right now would likely or logically have already been taken care of. And so, we're learning too, because we're being asked either by the Town or LDWA to go back and do stuff that we thought was already done, because typically when a plat is recorded, that's already all been taken care of. So, we're part of the learning process with you. We weren't here either and we're just trying to find all the pieces and make sure that we're doing it right and in the appropriate way so it's done safely and in the end, we can have a nice project everyone's proud of.

Doris McNally – We are being very focused on the culinary water aspect of this at this time because that's really all we can assess and deal with, the other issues we can't. I know that others, have different feelings on that, but there's enough on our table. That's the last point.

The one thing I would ask is that there were some, let's call them punch list items that have to be achieved, the water rights had some check marks which I think we still should double check on. I think Don and I had a conversation about one of the water rights we want to make sure is clean. We are confident it is, but we want to make sure it's clean. As for the 2010 and 2015 agreements that were signed there were, let's call them a punch list, a checklist that were put together. Let's just make sure that all of those things are addressed so there's no question about them. And I think this needs to happen maybe with us sitting down together and having a real work session and just go through this stuff and deal with it. Deal with the good, the bad, the ugly, or whatever it is but we need to deal with.

Jared Westoff - That's a good Idea.

Don Fawson - Brant do you have anything?

Brant Jones - A couple of thoughts and I just back up Doris on the water right thing. It absolutely needs to be cleared up. Maybe this isn't just specific to your project, but as the town switches more to underground water, we're doing the best we can to assess the sources and make sure that they are viable, and they will be sustainable for the Town. But it is interesting that in a month we're changing the water billing for the whole Town, that it is also the month that we're discussing these changes from using surface water, and it's already had some of those changes and some of the water rights have already been signed over, but the billing is very different so the ongoing need to pump a well versus a spring is a challenge. We've already had a well fail and then we have the whole issue of pumping the well water into our system to supplement the spring water. So, that changes a lot of things for counting people over the years, but it seems like as we switch, and like I said, this is not just picking on this development or what's been done so far, but in the future, it really needs to be considered as we switch to unknown, water sources. I guess all of its unknown, the Spring can change too, but if a well fails, or goes dry, or just the fact that we're paying a power bill ongoing, the whole Town's paying the power bill for everybody every time we bring more underground water in, the rest of the town, everybody else is assuming those bills to supplement the new developments and so just maybe put that on record. I think that will be looked at and the pumping costs will be considered because we represent the whole Town and the people that have been getting water. I mean the pipeline is expensive, no doubt, and it does need maintenance, but you don't have the power bill to pump up, you know, it comes down the hill and it's just here so, it substantially increases cost.

Jared Westoff - That's an interesting point because when we annex Silver Reef and Eldorado Hills, we got underground Well rights and then we had to start pumping. So, those of us use to Spring rights had to subsidize away.

Brant Jones - You're absolutely right and that's why I'm not picking on this development. But we just seem to keep doing that more and more and more and to a big question Mark. And I asked Riley, what caused the last well to fail and they don't know. They can't tell me.

Jared Westoff - You're talking of the one that was drilled and wasn't successful or the one that the pumps went out.

Brant Jones - Well, both, yeah, anytime you're going in the ground, it's a question mark about whether you actually hit water. You do your best to verify it, but then you also pull in that liability for the entire

Town. I agree it's just as much Silver Reef and any other underground water right that we bring in, it increases the bills, it increases the maintenance. Wells probably aren't going to last as long as that new pipe is going to last coming down from the Spring. I hope the pipe lasts, it should, right, I mean it sounds like it's a very long-term plan for water but everybody's going to tie into the same pipeline and I'm not trying to exclude anybody, but it does change the Town.

Don Fawson - It does, and in some respects for the good, I hope. We moved here in 1971 and you know there was a need for more water at that point in time, so with shareholder support, we drilled our current well in 1976, and installed new pipelines. At the time, there was a 3-inch steel pipeline coming down Main Street and there were 3 hydrants in town. One was not connected, the other two were on a 2 inch and a 1 1/2-inch line. So, we did make some changes, the Town changed, but on the other side of this the people hooking up to this water system also become part of the payers. They become part of the people that are actually investing in the infrastructure and the people that continued to add life to our community. As far as the original Well and its collapse, a big part of that was because it wasn't cased. We then found that there were voids down in the ground, which, basically at some point in time just collapsed into the well.

Brant Jones - Which are all real problems, and they can happen with any well.

Don Fawson - They can, but with it cased now, and it is cased all the way down, it is much less likely to happen. The new well will be completely cased also. But it doesn't guarantee it couldn't and you know age of well does impact its longevity. However, the fact that we have such a small drawdown also means that there's less water movement in a sense down deep in the ground, which can also affect the stability. So, I feel positive about the longevity.

But, one of the other things, I talked to Gary Crocker, and he said one of the other things is that he's willing to include an indemnification clause on this project. I don't know to what extent that mitigates our liability but, at least, it removes the corporation from suing us, I guess that is reasonable.

Jared Westoff - Don on that note, I know that Gary has asked Marty Banks, the attorney that's been representing and helping with the environmental and all that, what we can and can't do there and we're trying to figure out what that could be or would look like. Obviously, Gary and ourselves are not like experts in environmental clean-up and that's why we've hired good, appropriate professionals and so we need to get Marty's advice before we know what that means.

Don Fawson - OK, So, from my understanding, a "Will Serve Letter" basically outlines the parameters under which we will serve water.

Jared Westoff - That's ours too.

Don Fawson - So it isn't a matter of saying, well, you're going to get water. It means that you have to complete these steps, whether it be a third party, or putting in these valves, or all of those kinds of things before it is actually codified. The one thing that I just wanted to mention was that we've heard that there have been three previous "Will Serve Letters" and that's actually not true. In November on 2010, it said be advised that LDWA will not issue a formal Will Serve Letter until LDWA has reviewed and approved your proposed water system infrastructure plans. I did not ever see an actual Will Serve Letter issued. That was when Benjamin Gordon was president. Then in 2010 there was a water rights agreement signed and Ron Cundick, president, signed that. But again, it was a water rights agreement. It had to do with the water rights, not infrastructure and serving water. It had to do with the acquisition of water. And then, in 2015, again, it was a water rights agreement. It listed, in Item 3, the terms and conditions governing the issuance of a "Will Serve Letter" are set forth in the letter dated November 4th, going all

the way back, in other words, those are the terms and conditions. So, we have a couple of things that we want to add to that, and that document was signed by Elliott Sheltman, president. So, it was just, here are the conditions that need to be met to be issued a "Will Serve Letter."

Alan Cohn - There was no Will Serve issued?

Don Fawson - Is that correct, Elliot?

Doris McNally - They were water agreements, that is what I said earlier, yeah different.

Don Fawson - Again, there are other things that we've been concerned about. Some of those we've shared with you. One of the other concerns we have on this...

Jared Westoff - Can I ask a question? Who has said there is a "Will Serve Letter." Have you just heard generally? You haven't heard from us there is a "Will Serve Letter?"

Don Fawson - Yes, we have just heard that that was the case, you know, even within our own discussions, we thought that was a fact, but it's not.

Jared Westoff - So we've never been under the impression there was a "Will Serve Letter."

Doris McNally - We just want to clarify that.

Jared Westoff - We want to make sure you're not thinking that we're saying that.

Don Fawson - OK, that's good. Good clarification and I'm glad that we're all on the same sheet of music on that piece. The one thing that we are concerned about is the age of the original cleanup. How many years ago was that?

Kurt Allen - 2012

Don Fawson - OK, So, it's been over 10 years and at that time, based on that fact, there was an approval that expectations had been met. Of course, we've had, water erosion, we've had wind erosion, since that time and I know that in parts of the cleanup site there was supposed to be a 6-inch cover that was supposed to be maintained. Josh, can you speak to that?

Josh Wagstaff - 6-inches, it's not the whole side, there's certain areas that need that cover.

Don Fawson - So has that been reexamined recently?

Josh Wagstaff - So, in the fall it was, it hasn't been this spring because the annual report was completed then. But, it'll be assessed every year again.

Don Fawson - How do you go about measuring that?

Josh Wagstaff - Rich White comes down from Salt Lake and measures it?

Don Fawson - How does he do that? Just curious.

Josh Wagstaff - I don't know. There are only a couple of areas that have that if you look at the Site Management Plan, it has the area shaded.

Jared Westoff - So we should note that we are working with the Town to let one of their Inspectors accompany Rich White every time he does that inspection. So, they could see and if they have a concern I don't see any reason why LDWA could not accompany that inspection as well. We planned to accompany it as well, so we can learn ourselves.

Don Fawson - When's the next one happening do you know?

Jared Westoff - I don't know, I can find out.

Don Fawson - Before we move ahead with this, with your permission, I'd like to take some comments from those who are here and then we'll go through a discussion and finish this up.

Jared Westoff - It is your meeting.

Don Fawson - OK. Thank you. Anyone? Michelle.

I. SHAREHOLDERS COMMENTS

DISCUSSION

SILVER POINT ESTATES

Michelle Peot - I have a question about the requirements for ongoing monitoring dedicated for this particular loop on the East hill because of the elevated risk here. And I don't know what the periodicity for example for Radium 226 testing is normally for LDWA, but it seems like there should be dedicated potentially more frequent testing because what if there's contamination there, but you don't find out for a month or more and you put all of those potential residents at risk.

Don Fawson - OK, good point. Anyone else? Yes. Elliott.

Elliott Sheltman - I'm just wondering if you're aware of a document that was filed against the title on this property in 2016.

Don Fawson - I'm not

Elliott Sheltman - This is Doc # 20170043161 on 10/25/2017 is when this was filed it is a Notice Regarding Culinary Water Service To: LOT OWNERS, PERSPECTIVE BUYERS, INVESTORS, LENDERS, FINANCIAL INSTITUTIONS, ETC. Culinary Water service shall not be served to the Silver Point Estates Subdivision until such time that Silver Reef Investment Holdings, LLC, Developer, or current Property Owner, completes all outstanding requirements listed under PRE-EXISTING (OUTSTANDING) REQUIREMENTS, and said requirements have been reviewed and approved by the Leeds Domestic Water Users Association (LDWA) culinary water authority for this development, as witnessed by issuance of LDWA's Certificate of Approval including; (i) signature of the President of the LDWA Board of Directors, and (ii) the LDWA Corporate seal Stamp is affixed to the Certificate of Approval. This was filed by Unanimous vote of the Board based on David Hartvigson's advise, our attorney.

Don Fawson - OK, this is to the Board then?

Elliott Sheltman - This was filed with the Washington County Recorder

Don Fawson - By whom?

Elliott Sheltman – LDWA, me as the President, because my signature was required.

Don Fawson - OK

Elliott Sheltman - Now I have a whole bunch of things here if you want to know the details on it. You may want to because this has to do with the fact that the Town jumped the gun and violated chapter 21 of their ordinances and filed this without a signature line for the LDWA. It was done without our (LDWA's) knowledge or our approval.

Don Fawson - You're talking about the plat?

Elliott Sheltman - Yes. And it was done at the June 8th meeting. Gary Kuhlmann (Deceased), who was the Town attorney at the time, basically was talking about the recording. Mayor Peterson said there would be a need to collect a lot of signatures and it's my understanding that in the past the Town didn't always do it themselves, but I think from a standpoint of chain of control with regards to the map, it's very important that we be the ones who obtain those signatures. So, he was very well aware of what chapter 21 is. Our attorney contacted Mr. Rick Canute? who was Rick Sant's Attorney and told him what happened, which section of chapter 21 was violated and the response from Mr. Canute was basically he reads the ordinance the same way as we do, and he's puzzled as well as the Town's attorney. This is kind of being snide, "if they have one; hasn't helped shepherd the mayor and other officials down the correct path". The plan was to try and hopefully work with Mr. Sant, the developer, to work this out. Unfortunately, he wasn't interested. Mr. Sant had a tendency to come and go. If you look at the meeting minutes, you'll see that he basically would come in and state that we're going to start in three months, four months, kind of like what you're getting now. Then a year and a half later, he would reappear again, then he would just disappear. We would bring in our engineer Karl Rasmussen and we would start the process. We had other things as we were doing some major projects during that time and the developer would just disappear. He did that, I think three times, and after 2016 when the plat was filed, I don't think we ever had him in a meeting again after that. I don't think there's any contact if you look at the meeting minutes, I don't have those, but I think you'll find that. So, the reason that the filing was done is because if you look at the requirements that we didn't have all of them were on the checklist, not all of them were checked. So, that should still be on the property against the title. So, you've got that and you're going to have to work with that one way or another. You're going to have to remove it or make them honor it. I just wanted to let you know it's there because I wasn't sure that any of you were aware of it.

Don Fawson - Can we have a copy of that?

Elliot Sheltman - I can get you a copy. It is the only copy I have right now,

Doris McNally - We have the file number. It's easy to lookup online and get a copy.

Elliot Sheltman - One other thing. I was president for 10 years so I've dealt with pretty much all of this. Ben Gordon started the process off before he left. We were told over a period of time that this development, to quote the developer, "was much more contaminated than anybody ever could have thought." You have probably seen that in past meeting minutes. The meeting minutes concerning the developer, are quite detailed and it's obvious for a reason, because we were never sure about how we were going to deal with this issue of contamination. The DERR and reps, including David Bird, and the DEQ, all told us, after we had asked up to three times for a response from David Bird, about where has this type of development been done before, because we don't want to reinvent the wheel. What do we do? Can we use C900 pipe? Can we even use standard issue materials for this project? What we finally got

from David Bird through an e-mail chain was (that you should have a big file with all this is in it) was basically, that it's never been done before in the State of Utah. Radioactive materials, radon 222/226, or mercury, and you have both, is that it has never been done. Then we asked, what do we do about this? The response was, "It's not up to us to decide, it's up to you to do due diligence and decide how you want to deal with it."

Again, I'm not sure you can use normal materials that we use in other parts of this Town or this county for this and that was our concerns. Then another reason that we did this document is because we have a tank location and water lines that would go down to Silver Reef Road to supplement the water that would be used by the development, when it's a full 105 units and we wanted to bring in somebody to check that area out because we're not sure if it's radioactive or no. It's near the area that's contaminated.

Don Fawson - You're talking about where the tanks located

Elliot Sheltman - Yes, the 150,000-gallon tank. We were going to bring somebody in to check that location. If you look at the meeting minutes, there was a meeting of the minds and Mr. Sant agreed to it. We we're going to bring an expert in from Nevada because if you want to know about radioactive materials that's where you go to find experts. So, there were two experts that I got from Hughes Development, and I talked to both of them. We were going to line one up that was again something we were going to do. That process was ignored when the plat was filed. The Mylar version was circulated and our signature wasn't on it.

Don Fawson - So is this someone in a private capacity that you were going to contact?

Elliott Sheltman - Yes, independent, who had no relatives, right.

Don Fawson - Right, but it wasn't a government organization.

Elliott Sheltman - No, it wasn't government, but this is what they do for a living. They go in and clean areas up, usually for heavy use. To be honest, when I talked to the individuals, both of them, I didn't even have the documentation. It was about an hour phone call with each one. But their attitude, after I told them what we had there from reading off the list from the cleanup, (some of the notes I took off the big book), their response was, "We would never do that." We do heavy industrial, but not residential, or something like that. I said what do you do with the water lines and utilities? They said we run them above ground, we're not going to put that stuff in the ground. Just FYI.

Don Fawson - Alright, can you give us that Information including the people you contacted?

Elliott Sheltman - I don't have that anymore. You know, it was like what was that seven years ago? If you can get the document then I won't worry about it.

Doris McNally - Thank you.

Michelle Peot - I just wanted to quickly add on to what Elliott said about how unprecedented this is. So, in addition to not being an example in Utah, I actually looked through all of the volunteer cleanup sites across the western US. where there is heavy uranium. No one has done this before and I also spoke to a retired EPA Superfund Administrator. She said this is unprecedented, so I just want to underscore the risk that LDWA would be taking on here.

Ron Cundick - A couple of comments. First of all, on the water rights. Correct me if I'm wrong, I thought that we had been told that there had been a title company that had certified these water rights very

recently. But as we looked into it afterwards, they weren't correct. That there were certain points of diversion that haven't been transferred to LDWA. Am I correct on that?

Don Fawson - I'm not sure I understood the question.

Ron Cundick- I understood that a title company had certified that all the water rights that have been conveyed to you for this project on Silver Point had been verified by the title company and there were no issues.

Don Fawson - Yes.

Ron Cundick - And subsequently when you started checking it, it's my understanding that some of these water rights point of diversion have not been conveyed to LDWA Wells.

Don Fawson - I'm not aware of that.

Kurt Allen - I think what you're saying is that the point of diversion for some of these water rights, and we're referring to the 105-acre feet transferred by Rick Sant, some of these water rights points of diversion are still in the Washington fields.

Ron Cundick - That was the point I was making.

Kurt Allen - And since the title company cleared these water rights, we have since found that is correct. There is a portion of these water rights that the point of diversion is indicating that it's still in the Ash Creek Sewer District area. However, there was, I believe five or six water rights involved in the 105-acre feet and that only one or two of them had that issue needing to be resolved. The remainder of the water rights proved to be clear and clean with no encumbrances.

Ron Cundick - Well, that's my understanding, that somehow the title company missed a few water rights in the process. Yes, which kind of puts them on hold.

Jared Westoff - That's not accurate.

Ron Cundick - I think it is accurate.

Jared Westoff - No, we had it checked to make sure there were no liens against it and not the points of diversion

Ron Cundick – Let's not confuse ownership with point of diversion.

Jared Westoff - We never had them check points of diversion, we didn't know that was an issue.

Ron Cundick - The water is no good to you until the point of diversion is put in place.

Kurt Allen - Jared's got a good point there though, that the title company wouldn't have checked points of diversion, their duty would have been to check for clear title.

Ron Cundick - We have a situation that still has not been resolved relative to that. When we asked about it, it was because we were concerned with the title at that point in time and the whole water right itself, because if you can't get the water; I'm not saying you can't get it eventually, but I'm just saying that it has not been perfected and I want to make sure the developers understand it. And I hope that the costs of

perfecting these water rights are being borne by the developer because they gave a Warrantee Deed with these water rights. Am I correct? The developer will bear the cost?

Don Fawson - So let me ask you Kurt. Is this something that Riley's been working on?

Kurt Allen - The e-mail we got today from Timothy, I believe addressed these water rights.

Don Fawson - So we've had our engineer going through all of our Water rights, not just deeds. And that's where he found the ones over in the Sand Hollow point of diversion.

Ron Cundick - I think these things need to be worked out. All I want to do is make sure that they are worked out and the burden of the expense is not being borne by LDWA because we have Warrantee Deeds saying they are intact and there are still things to clear up.

Kurt Allen - The Board's being very careful with all the developers and not just Silver Point, but for other developers as well so that they carry their own burden.

Ron Cundick - I Just want to make sure who's bearing the cost. The second issue I want to address very quickly is, I agree that you can't bring an expert in to criticize his own work. It doesn't work, because if you find that your previous work wasn't done correctly, what does that do to your reputation? So, it's pretty hard if there is a problem, and I'm not saying there is a problem, but if there is a problem, it's pretty hard to ask the person who did it initially to say, "Change my work, it wasn't done right the first time," and if you can find any way to justify that it was done right, you're going to do that. So, I think the way you solve that is that LDWA decides who the professional is going to be, and it has to be a professional who is not looking at his own work in the process. I think we understand that.

The other point I wanted to raise involves the conditions for beginning construction, and the elephant in the room has been forever, the Certificate of Completion (Issued by the State relative to the cleanup). That's the elephant not just for LDWA, but for the Town. Just to refresh your minds on it, and I don't want to beat this to death, but. Mr. Sant came in at one point in time and said "until this plat is recorded, I can't finance this. I can't get financing, so we need to amend the original agreement with the Town in a way that I can get my financing so, what conditions do you propose?" The mayor at that time said OK and the town council said if you're going to amend this then we want to make it clear that you can't begin construction until you have a Certificate of Completion. So, you can talk all you want about beginning construction, but the elephant is the Certificate of Completion that has to be produced not only for the Town but also for the LDWA, because that issue has been addressed time and time again by LDWA, both when I was President, and also when Elliott was President. There had to be that Certificate of Completion. And if you look very carefully at the minutes and so forth, you will find that it said not just completion of Phase I, as the developer defines it, but Phase I and Phase II. So, the developer has to solve that problem and produce this Certificate of Completion and he has to make sure he knows what he's doing on that before he can spend as much money as he wants on plans, but he can't go forward with construction until he produces it.

Don Fawson - You know we're kind of in a conundrum with that Ron because the State people are saying it's OK.

Ron Cundick - Well, the State does not set our standard. And let me just give you my thoughts on it as a lawyer. The State is looking only at the cleanup, and they said we have certain criteria for cleanup. OK. The Town said we went ahead and allowed you to record that plat with a certain condition. That condition has nothing to do with the State in the sense that it does not depend on whether the State says yes or no. It says when the State must provide a Certificate of Completion, not a letter saying that you

can go ahead, it's safe for building, but a Certificate of Completion as the statute says. When the State does that, you can begin construction. So, don't confuse what the State says that you can go ahead from the State perspective with the requirements of the Town and LDWA, which was that they must have that Certificate of Completion.

Don Fawson - So does the Town have that requirement right now?

Ron Cundick - Yes. That requirement was put on when they amended the initial development in order to allow them to get financing.

Doris McNally - So, that agreement is public? We can see them?

Don Fawson - Well, that's a good question Doris.

Ron Cundick - The minutes are very clear on it from the Town minutes. Anyway, I pose these things for you to consider. I'm not going to tell you what to do, but you need to be aware of it.

Don Fawson – Thanks, anybody else.

Layna Larsen - I still have my question. There are mines underneath this development. If the people that own the mines were to come in and decide to mine there, how does that affect the development? The water lines for example? What material is being used for the water and can vibration cause damage? If the waterline breaks in the contaminated dirt, because I am not convinced that you can make it safe enough without hauling it all out and bringing in new, (just 1 ft on each side of a pipe does not feel safe to me) what level of risk is there to the person repairing the pipe. How high is their risk for contamination? Also, I know LDWA is not responsible past the meter, but what about homeowners? Their pipe breaks from the vibration from mining, how is the developer protecting them from the contamination risk?

Doris McNally - I have a question for Elliott. Elliott did the document you said that you filed with Washington County by any chance cover any of that because you talked about building. It's got a list of not all, but some of the things that were agreed to in those agreements you're talking about, and one is the Certificate of Completion. I'm specifically talking about the inquiry here with the water lines.

Elliott Sheltman - No

Doris McNally - OK, thank you.

Don Fawson – Susan?

Susan Savage - We were just asking if people could lean into the microphone. Some voices are harder to hear. This is a general comment, but so often when people, developers, or people come in with plans, they give an answer to you, we've done this or we've done that and so on, but we need documents. That's my point. We need more than somebody saying that's my position. Where's the paperwork and where are the documents that verify what you're saying.

Don Fawson - Good. All right.

Josh Wagstaff - So, I thought that it's in that packet that Elliot had. We're familiar with that. I thought that when we had the original meeting that I gave that to you, maybe it's with all the paperwork that I gave you, but I'll e-mail that to you guys as well. Because we've read through those conditions and like

you said to me, those were in the previous agreements and in the 2017 when it was recorded against the property, but it's recorded against each parcel.

Jared Westoff - I think it's important to recognize that these are complex issues and it's easy to cross connect and get wires disconnected. I think it's important that we don't disparage or do anything with those who may not correctly understand or whatever. I just want to make sure it's clear we were asked to make sure the ownership was free of any liens. So, we got a title report. There was a question on whether or not a Quit Claim Deed conveys ownership as good as a General Warranty Deed. It does, I have bought and sold over 200 distressed properties, and I have bought many of them with a Quit Claim Deed and followed it up with the Warranty Deed. It every bit conveys with a Quit Claim Deed as a Warranty Deed. It just means you're not warranting it when you send it over. But I can get something from a Quit Claim Deed and look at the title, and I can feel comfortable signing a special Warranty Deed meaning I certify that I have owned this when I have owned it, or I can do a General Warranty Deed that certifies it back through time. So, obviously anytime you get something, you want a General Warranty Deed, but it is a common practice, and most water rights are transferred with a Quit Claim Deed. But it doesn't matter if it's a Quit Claim Deed or General Warranty Deed, it conveys ownership. But rather than me stand up here and explain that, what I know very well, I thought if there's a concern on ownership, let's just get a title company to verify the ownership. That has nothing to do with points of diversion, zero to do with points of diversion. If there's a point of diversion problem with the Wet Sandy water right or these water rights or whatever, it's just a matter of getting the point of diversion filed for and changed and it needs to be done. Like when we transfer water rights, a lot of companies, take on the transfer. Sometimes some companies want us to take on the transfer as a point the deal, so whatever the requirement is. If it's a point of diversion issue, let's clean it up. But that is not the same thing as an encumbrance.

I know that LDWA has the distinct honor, as the only entity in the history of the State of Utah to ask the State of Utah to forfeit water rights. It's kind of an odd thing that happens in this Town that we do weird stuff and conjecture across them and try to confuse issues. We don't want to have any confusing issues. So, if we need to have a work session and walk through the prior agreements point by point, we're happy to do it. Now, as it relates to the cleanup and the Certificate of Completion versus a No Further Action Letter, I think it's important that both we and you work together in good faith and we in the Town work together in good faith and recognize the process that we're in and work with each other to make sure we have a safe project. In a voluntary cleanup, the cleanup site, in this instance for our Phase I of the cleanup, gets a little confusing. So, somebody explained it to me three times for me to, connect the dots, correct? The Phase I area for the cleanup is the same area as Phase I and Phase II of the plat. And we entered a voluntary cleanup for the entire property. So, we've done the cleanup for Phase I and Phase II of the plat, which is phase one of the cleanup. So, at this point in the process, what the State can issue is a No Further Action Letter for that area, meaning that area is cleaned up. We can't get a Certificate of Completion until we get all phases cleaned up.

Alan Cohn - But then that violates what Ron mentioned that the Town ordinance is saying you are needing a Certificate of Completion.

Jared Westoff - There is no Town ordinance for that and in my opinion that is not a reasonable requirement of the Town. We are going to work with the Town to see if we can have a reasonable requirement of accepting the No Further Action Letter. We hope to be able to get that done. But it's not reasonable to expect us to have a Certificate of Completion, when we haven't been able to walk through the process to get there. For instance, in order to get a Certificate of Completion, we have to be able to record in the CC&R's and everything. We typically aren't going to record CC&R's against property that doesn't have a plat. So right now, we're only on the Phase I plat. So how are we going to meet that requirement to get a Certificate of Completion when we're not reasonably going to develop all 105 lots at

one time? We've got to be able to work through that in good faith with each other and say here's the process that we're being required of the DEQ on this specific cleanup area. This is what can be done, and these are the requirements that we have to do and one of them is we've got to record this CC&R against the property so that everybody has notice anytime they buy the property, and we do that at the time we do a plat.

Alan Cohn - But you understand, I mean everybody has said that this is unprecedented, period. You're building on a Superfund Site, so I'm looking at this, granted, a little tougher than I would look at any other development, because there's a lot at stake here. So, things haven't been done since 2017. There's a lot of questions you know?

Jared Westoff - Which is also inaccurate. You can look at the Town minutes in 2018. Rick Sant is in the Town minutes, and he is talking. He is quoted and so is Elliott Shelton. So, he didn't just disappear from 2016? Poor Rick Sant what he has been put through on this project is immoral. And he ended up passing away from health issues of which a lot of, I think, was attributed to the way he was treated on this project.

Alan Cohn - You don't think that it was attributed to maybe the property itself, you know, I hate to say, but.

Jared Westoff - We can get into anecdotal evidence all you want, Ray Beal lived across the street. He's lived to be an old man and he used to play in the piles and move the mercury all around, I don't want to get into anecdotal evidence. I want to stick to facts.

Alan Cohn - I didn't mean to go there, but what you were saying is also anecdotal. My point is I think we need to hit on every one of these points; that checklist that Elliott mentioned, we need to figure out what's going on with the Town, and that Certificate of Completion. I think this all needs to be gathered in one place rather than, just the back and forth. You say we have it; we don't have it, we're looking for this, I think I would like to see all that covered in one place, a nice little binder or whatever that's got all that information in it rather than a piece here and a piece there.

Jared Westoff - I think we should sit down and go through those old agreements. Look at anything that's outstanding. Everything that's reasonable, I think should be done. I do know that LDWA had a history of being very unreasonable in the last 10 years and we need to even be willing to look at the reasonableness of the requirements of the past. And say, what is reasonable and what is not, and we need to be able to cross those thresholds and get it done.

Alan Cohn - Well, the question is, was LDWA being unreasonable or was LDWA trying to watch out for the shareholders and the rest of the people who are already drinking this water?

Jared Westoff - When they are, we are more than happy to walk through those requirements.

Don Fawson - I think your point is, it's today and we need to look at today and we need to look past history to inform us, but beyond that, not to let it become a battleground. So, Elliott, will you make sure that we get that information?

Doris McNally - We've already gotten it and you've got it.

Elliott Shelton - One other thing, I'd like to speak since my name was brought up. If you look at the meeting minutes for the LDWA we bent over backwards for Mr. Sant and I don't think that we had anything to do with his illness. I think that's outrageous, Not just incorrect on its face, but...

Don Fawson - OK, like I said, I'm not going to go there.

Elliott Sheltman - I think when I talk about not seeing him again, I'm talking about at the water company. We did see him here, I was a council member. I want to bring something up as far as these developments like Grapevine Wash when we exposed a light on it. It turned out that a lot of the procedures that we believed were followed were not. If you look at Phase II of this development, you will see that if you enforce the Hillside Protection Ordinance, which was in place before the development was brought in, there was no Phase II. The road on the South side is basically in violation of the 3% slope limit, so are the utilities. So, you won't be able to go up and around that road. When I was on the Planning Commission, we proved that through mapping that, those records should still be in there somewhere. The other thing is that if you look at the houses locations and you look at the Phase II map, of the Town it basically says you have an average 22% or 26% slope where they want to put houses. You can average out the HPO all you can do is ignore it or you can take it out as an ordinance. Again, poor planning and that's the problem here. If you have a problem or a breach of the system, you don't just get, radioactive water, you'll get radioactive air coming into your house, radon when you turn on your faucet. That's a byproduct of it. That's one of the things I learned about it. The other is the mercury, if that gets into the system and if it does, you don't have a water company down here anymore. I mean, I guess you could tap it somewhere up there, but you won't be able to use those lines. That's another thing that I learned if it is contaminated it's pretty much virtually impossible to do anything with it.

One other deal, there was a point when Mr. Sant, and I think it was Paul Wright showed up over at Angel Springs, at one of their meetings. I was there because I was told about it and, he was looking for a place to put a septic system because he never did have a septic system. He kept moving around to different versions and what he proposed is he would put one over here across the Ridge from where Phase I and Phase II is, and what he told the Angel Springs people or what they their concern was that it's over their aquifer. Their concerns were addressed by the State official because they were very upset about it and his attitude and what he said publicly and on the record was that, well, if they poison your water, if they poison your aquifer you could sue him.

Don Fawson - And that was Paul?

Elliott Sheltman - I believe it was. It was a State official. I think it was Paul Wright. The point being that's the attitude the State has. Which was pretty much you can sue him. People laughed. It wasn't a friendly laugh, it was, it was one of being incredulous that he would come up with this idea. So, this is really important. It's one of the reasons we had such a hard time with it. And again, we tried to pursue it, but it kept stopping and obviously if the developer doesn't come back we're not going to continue to work with it because again, we did some major projects over that 10-year period. So again, you're in a bad position as far as you're going have to make some decisions here. You're going to get pressure from everybody. But be aware of the fact that every eye isn't dotted, and every T is not crossed on these things, and we learned that. Again, Grapevine Wash was a good example. Everybody knows about that. It turned out a lot of things that were supposed to be done that we counted on being done weren't done. Thanks for letting me talk again.

Don Fawson - OK and I wanted to comment on was the fact that, the Hillside ordinance and those kinds of things, are a Town issue.

Elliott Sheltman - I only brought that up because utilities can't run on a 30% slop either. So that would affect you.

Don Fawson - Well it would affect us, but hopefully the Town will take care of that piece of it.

Elliott Sheltnan - Hopefully they will.

Don Fawson - OK.

Susan Savage - To be clear about the changes in points of diversion, if someone owns a water right, you can't just say, let's just get this taken care of, that goes through the State. There is a formal application that goes to the State Engineer, there is a protest period, and so then the State makes a determination on that. It has to go through that process.

Brant Jones - And then it also goes back to the same responsibility. So, if one Well dries up another, it's your responsibility to sue. To create a lawsuit and try and win it back through the legal process, it doesn't bring your water back. It's part of that protest process.

Susan Savage – I know I said this in another meeting, but people so often say we are bringing water and what they are actually doing is abandoning the former site and saying we're going to draw more water out of your system. That's why people protest it.

Don Fawson - Thank you Susan and again on that piece that's why we have our engineering firm working on those rights and transfers since they understand the process and they're working with the State Engineer on the proper application process.

Layna Larsen - I don't mean to beat a dead horse, but my question still hasn't been answered. I'm a shareholder and I'm asking a question as a concerned shareholder, not as a person working with the Board. I would like to understand if the mines are opened underneath this development, what kind of damage is possible; to LDWA water lines, Individuals water lines, repairman (the individual repairing damage). How can you prevent it? Is the material used for the waterlines a higher standard not only in our lines but the lines in the homes.

Don Fawson - Do you have any underground mapping of any of the mines in that area?

Kurt Allen - I think we need to not forget the point that the BLM and Federal Government controls these mines and they have Expended a lot of money to seal the mines and leave them inactive. I think that it's a real long shot to even think that any of these mines are going to be opened up again and mined.

Michelle Peot - Those are privately owned, I think the Mining rights are still owned by 5M or by Silver Reef properties, whatever Jerry Glazer's property is.

Alan Cohn - Yeah, Jerry Glazer owns the Mines.

Kurt Allen - They're still governed by the Federal Government, regulated by it.

Josh Westoff - People own mineral rights all over the place and they have houses on it and so I've never heard of that. But all in the chance that could happen, I'll talk to the attorney and ask him what would happen in that situation.

Don Fawson - So the other thing would be to get an idea of the mapping of where those mines are and the stability of them and things like that. I wonder who has that information?

Doris McNally – Michelle, have you ever dug that up?

Michelle Peot - I do have a paper, but I don't know how extensively the mapping is. I can send it to you.

Doris McNally - OK, appreciate it. Thank you,

Don Fawson - Very interesting. Alright.

Rochelle Gardner - I've just kind of been listening back and forth and I'm not sure about what's really going on. But I took a little issue with it our questions being immoral because I'm a shareholder. I'm a citizen and I'm concerned that this is being built on a Superfund Site which I think has been turned to a Brownsfield site. I have a question as to why it was demoted from a Superfund to a Brownsfield when this maybe the only uranium site in the Brownsfield that I could find that's being funded. And so, I think that there are legitimate questions that as a person that lives across the street. I'm going to experience all the fallout from all the dust and everything when things are dug up. I want to know, and I don't think it's immoral for me to be able to ask. And things may be taken care of and everything may be done correctly. And if so, I want to know that so that I can feel good about it and say, yeah, there's no problem going on there. It's OK.

Don Fawson - Fair enough. So, did you feel that someone had indicated that your questions were immoral?

Rochel Gardner - He (Jared Westoff) did, he was upset and said that the way the LDWA had been in the past has been treating them immorally and I don't think that's the case. If we have questions as the LDWA shareholders they should answer them. Granted they have put a lot of money into it, or the Brownsfield, whatever that site or program is, has put money into it for them but we still as citizens and as LDWA shareholders need to know that things are done properly and safely for us. And that's not immoral?

Don Fawson - Question Michelle, you've told us this is not a superfund site, what's it called?

Michelle Peot - Yes. Thank you. OK, so terminology, there's a Superfund Registry meaning that a site is contaminated enough and poses enough risk to human health that the EPA deems it being on the Superfund Registry. That's the case for the site they have included in their Phase I development. And the State requested and the EPA agreed so, it's still listed in the Superfund Registry. There is a national priorities list from the suit that gets Superfund Funding for remediation. So sometimes people refer to that as the Superfund List. But again, it's kind of a nuance. Its National Priorities Site so had this not entered the volunteer cleanup program, it would still remain in the queue and it was deemed of higher risk, but it had not yet made it to the top of the list for APA remediation. So that is the distinction.

Don Fawson - What's the Brownsville program?

Michelle Peot - is just a list of stuff that's in the queue on Superfund Registry that hasn't made it to the national priorities list. Some of those then are eligible for volunteer cleanup programs in various States

Don Fawson - Thank you. One of the things I wanted to say is I appreciate everybody here and the comments that you've made and the way that you've handled this, I do want you to have a copy of whatever it is that Elliot has sent so that you have a chance to review that. I think we need to talk about it, but we also need to get together and determine what the expectations would be if we're planning to move ahead? And Elliott, did you have any documentation you said on some kind of minutes about this completion?

Elliott Sheltman - Ron said that he has. Yeah, Ron said it about the Town. It is on the documentation that you're asking for. If you look at the original document that Ben Gordon did in 2010. I may be wrong.

When I got on the Board, that's what was said in the meetings. The Certificate of Completion was a term that was used. He tried to change it later, but we kept it on the documentation because that's how it was originally represented and there is a difference.

Don Fawson - OK. Let's set a time that we can get back together and meet together and figure this out. Anybody else have anything? All right. Again, this is serious business, and we want to make sure that whatever happens that we do it right. I'll accept the motion to adjourn.

II. MOTION TO ADJOURN MEETING

VOTE	MOTION TO ADJOURN MEETING: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously
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ADJOURNMENT: 8:45PM



Layna Larsen / Corporate Secretary



LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2. ANNOUNCEMENTS

- a) Consent Agenda
 - o Acknowledgement of Meeting Notice
 - o Vote to Approve This Meeting's Agenda
 - o Vote to Approve Previous Meeting Minutes

3. OFFICERS REPORTS

- a) President's Report [[Don Fawson](#)]
- b) Operations (Field) Report [[Mark Osmer](#)]
- c) Office / Finance Report [[Doris McNally](#)]
- d) Administration Report [[Kurt Allen / Don Fawson](#)]
 - o Update on System Project

4. SHAREHOLDERS COMMENTS

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)

5. ROLL CALL VOTE TO CLOSE MEETING



MINUTES

DATE/TIME/LOCATION:	May 17, 2023	7:00 PM	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen (Corporate Secretary)		
ATTENDEES:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T) Brant Jones (M) Staff: Layna Larsen (Corp Secretary), Mark Osmer (Field Operations Mgr) Shareholders: Jared Westoff, Susan Savage, Daryl Lewis, Ralph & Angela Rohr, Anita Deblinger, Michelle Peot, Cynthia Neubauer Guests: Josh Wagstaff, (SPE)		

Agenda Topics

I. CALL TO ORDER [DON FAWSON @ 7:00PM]

CALL TO ORDER	OK, let's get started, I Hope the meeting is everything you hoped it would be and maybe more.
ROLL CALL	PRESENT: Don Fawson, Kurt Allen, Doris McNally, Brant Jones, We want to excuse Alan Cohn as he isn't feeling well.
PRAYER	Susan Savage
PLEDGE	Ralph Rohr

II. ANNOUNCEMENTS [DON FAWSON]

CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

III. OFFICERS REPORTS

a) PRESIDENT'S REPORT [DON FAWSON]

DISCUSSION	CURRENT STREAM FLOW
Don Fawson - Just a quick update. The current stream flow is exceeding everyone's expectations. I took the numbers at 5:00 o'clock tonight and there's 16,966 GPM coming down the stream. Our chart that	

determines how much water we can use only goes up to 4552 GPM. So, there is plenty of water for irrigation and everything else. Mark, do you have any recent Spring data?

Mark Osmer - It's still running like 200 gallons a minute. We are still running on the Spring, and we are not using the Well.

Don Fawson – So, we've got two good water things happening. We are actually, taking the entire Spring flow because it's just excess at this point anyway. And then the other thing is, the weather's been fairly mild and has allowed people to cut back on their water use.

DISCUSSION	UNIFIED APPROACH WITH TOWN
<p>Don Fawson - The other thing I wanted to mention is that we are currently working cooperatively with the Town on a unified approach to providing water to current and future Leeds residents, including any new subdivisions that might come into town. More on that later. Mark, do you want to give your Field report?</p>	




b) OPERATIONS / FIELD REPORT [MARK OSMER]

DISCUSSION	GENERAL WORK
<p>Mark Osmer - We passed our BacT again this month. We had a couple of PRV's pilot valve lines that corroded so we fixed those and then just really general maintenance.</p>	

DISCUSSION	POTHOLING BY TANKS
<p>Mark Osmer - We've been potholing up by the tanks to see what is up around them, because there are a lot of pipes and nobody really knew where they were going. So, we figured all that out. We're going to reconfigure some pipes so we can adjust the overflow of the excess spring water back into the Creek without doing very much, so that's good.</p>	

DISCUSSION	HIGHLANDS TANK [Cleaning]
<p>Mark Osmer - We emptied the Highlands tank, we went in, checked all the pipes, we cleaned and sanitized the tank and put it back online. So, that's about it.</p> <p>Don Fawson - OK, Thank you. Doesn't sound like a lot, but it's been a lot, it really has been. Marks been very busy. Doris, do you want to give the Financial Report.</p>	

C) OFFICE / FINANCE REPORT [DORIS MCNALLY]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION	
VOTE	<p>BILLING Billing for April was completed/mailed on May 1st.</p> <p>NEWSDRIPS The May's Invoices included an article regarding our 2022 Consumer Confidence Report (CCR). Every public water system is required to share (by July 1st) with their customers information about their annual water-quality. Water systems serving year-round residents are required to deliver the CCR to their customers each year. For June's Article I'd like to ask for alignment on content shared earlier with you all regarding "In Memoriam" for past board member Ray Beal.</p>	
	<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">  <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p> <ul style="list-style-type: none"> To report an EMERGENCY water leak or a loss of water PRESS 1 For a BILLING INQUIRY, PRESS 2 For a GENERAL INQUIRY, PRESS 3 <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p> </div> <div style="width: 45%;"> <p>Consumer Confidence Report (CCR)</p> <p>Every public water system provides its customers with an annual water-quality report called the Consumer Confidence Report (CCR). Water systems serving year-round residents are required to deliver the CCR to their customers by July 1st of each year.</p> <p>The CCR provides a variety of important information about each community water system, including:</p> <ol style="list-style-type: none"> 1. Water system information 2. Source(s) of drinking water 3. Compliance with state and federal drinking water standards, explanation of violations, potential health effects, and corrective actions 4. Variances or exemptions to a maximum contaminant level (MCL) or treatment technique 5. Required additional information, such as explanations of contaminants in drinking water and educational information on nitrate, arsenic, or lead in areas where they may be contaminants of concern. 6. Any monitored contaminants detected in the drinking water during the past five years of sampling. <p>To view the LDWA's 2022 CCR use QR code or go to: https://hnyurl.com/vcxyt67d</p> <p>To learn how to interpret the report visit: https://hnyurl.com/ppmr7s9b</p>   </div> </div>	
	<p>MOTION TO APPROVE THE NEXT ARTICLE: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously</p>	

DISCUSSION	FINANCE
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In using
67%

PAYCLIX
April we had 73 shareholders paid their bills this payment option. The total amount collected through PayClix was \$3,397.30. With paid via credit cards & 33% via echecks.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30
	173	\$9,152.57	110	\$5,222.36	283	\$14,374.93

FINANCE [April 2023]

		% to TOTAL
Total Net Ordinary Income:	\$20,497.77	
Total Ordinary Operating Income:	\$15,091.36	71.8%
Total Other Operating Income:	\$5,919.16	28.2%
Total Net Ordinary Expense:	\$21,010.52	
Ordinary Field Operating Expenses:	\$4,271.70	22.1%
Ordinary Admin Operating Expenses:	\$2,807.26	14.5%
Professional Operating Expenses:	\$5,670.00	29.4%
Labor Expenses:	\$6,566.61	34.0%

The LDWA's Banking Accounts [as of 05/13/2023]

CHECKING ACCOUNT	\$28,501.72
SAVINGS ACCOUNT	\$280,402.41
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$205,463.99
DDW LOAN #3F138 FUND	\$14,394.51
IMPACT FEE ACCT	\$60,543.91

VOTE	MOTION TO APPROVE FINANCIAL REPORT: Kurt Allen SECOND: Brant Jones MOTION APPROVED: Unanimously
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b) ADMINISTRATION REPORT [KURT ALLEN]

DISCUSSION	SPRING LINE [KURT ALLEN]
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Kurt Allen - Kurt Allen - The projects are in the design phase still. We're getting ready to go to bid and look for qualified contractors for the well as well as qualified contractors for the Spring Line project and the Main Street project. We will let out an RFP request for proposal for the Well and then an RFQ, which is a qualified contractor proposal, for the Spring Line and the 8-inch line down Main St. So, all of those are going to be going out next month. Civil Science Engineering, has about another month's worth of Design work to do on it.

DISCUSSION	NEW WELL [KURT ALLEN]
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Kurt Allen - The Well, we'd like to get that going just as quickly as possible and get a well driller to get started drilling the second well. The Well location has been determined and the start card I believe has been received. Mark, do you know anything about the start card from The Division of Drinking water? It's my understanding that they've given us the Start Card to be able to proceed. We just need to pick a contractor and get started on the Well.

DISCUSSION	QUALIFIED CONTRATORS [KURT ALLEN]
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Kurt Allen The qualified contractor that will be doing the large project is going to assist us with getting materials, permits, and finishing the design phase. We'd like to do a design partnership with the selected contractor so that we can finish the construction drawings. We'll have 60% drawings when we put it out for a qualified contractor, and we'd like them to work closely with us to achieve 100% construction

drawings and then at that time we will be receiving a solid price from them to be able to do the installation. The reason for that is, because of the spring line is so unique, the alignment and the constructability of it. We want to have a contractor involved in that heavily.

DISCUSSION | **MAIN ST PROJECT** [KURT ALLEN]

Kurt Allen - So, it's a big and complicated contract. It will be both up the Canyon and on Main Street so, we're looking for a good, qualified contractor to work with us on that. We are still trying to get the environmental permits, Forest Service permits, BLM permits, and we are making good progress on that.

Don Fawson - Appreciate that, Kurt. I just want to mention to, that Mark did some cleaning up around the tank and also around the current and future Well sites.

DISCUSSION | **SILVER REEF BRIDGE** [DON FAWSON]

Don Fawson - OK, I just want to mention that we had concern about the integrity of the Forest Service bridge over the creek at Silver Reef. Those of you who have been over that bridge know it was caving in on one end. As a result, we were concerned about the age of the bridge and the strength of the bridge, since we sometimes have to take our heavy equipment across that bridge heading up to the Spring. So, we talked to Larry Ballardie, who is the acting Chief Ranger some months ago. He said actually that that particular Bridge repair or replacement as well as ones up further, have risen to the Forest Service top priority for 15 years in a row. And I said, "Well, what's going on?" He said, the county had to sign off on something, and they wouldn't do it. So, I don't know what the exact problem is, but nonetheless they did get somebody out there and they have done some repair work on the bridge.

He took me down under the bridge and I thought that they were just planks laid across there, but actually they are 12 x 2 or 14 x 2. They're pretty big, and they are sandwiched together all the way across. So, I think they drilled a hole through them because they were starting to spread a little bit and they put some threaded bolts in there and tightened it up. And then did some work on the sides and the ends. So, hopefully it's better than it has been, but we will hope that someday they will actually make it a wider and longer. So, Josh do you want to come up?

DISCUSSION | **SILVER POINT ESTATES** [JOSH WAGSTAFF & JARED WESTOFF]

Josh Wagstaff - So I don't think that we have a lot to say tonight. We have gone through the last eight months or so, reviewing all the documents and contracts and previous agreements. Gone through the terms of a Will Serve Letter and agreed to all those. So, I don't think we have a lot to say, if you have any specific questions, I'm happy to answer them, if not we would like to get the Will Serve Letter.

Don Fawson - You know we appreciate your patience; we really do, and we think you guys have been very good in working with us and trying to come up the best agreement and we have two additional things that we're concerned about that have come up.

One of them has to do with what Layna brought up before, it has to do with mining and the mineral rights under that ground. So, I called, and I talked to Dana Dean, who's the deputy director, with the Division of Natural Resources, Minerals Regulatory Program. I just talked to her today and just asked her about mineral rights and she said mineral rights trump surface rights, always. I asked if it would be possible to mine in the Silver Point Estates area? And she said if their permit is active, or even inactive, but they're keeping up on fees and so forth, They can mine at any time without permission from the landowner. And so, I asked about the head structure? Could they actually open that back up? And she said yes. So, she

recommended that if they were actually going to go ahead with the building up there that you locate the owner and either buy the mineral rights or create a contract not to mine. It's my understanding that Jerry Glazier owns those rights. He was part of 5M and, based on what I understand, is he's not willing to give them up and has talked about the possibility of mining there again. She also said that she knew that was a uranium area, and that there's an increased interest in uranium mining going on in the United States right now. But she did say if there was a zone change prior to the current mineral rights Permit being issued one stands a better chance of prevailing in a court battle. But I don't think that's even possible because I think Jerry's been there forever. So anyway, that's an issue that I think that we all are interested in, that we need to figure something out on.

The second thing has to do with this Radium and associated Gamma particles. I believe Alan called them photons. So, radium gives off alpha, beta and gamma, which are the three major types of radiation. And alpha and beta are not really an issue, unless inhaled but, Gamma, on the other hand, is a real issue. And the question I have on that is this, is there any chance of pipe degradation due to gamma radiation? I checked with people at the State and they're response was, "We don't know." And they said you need to go to the pipe manufacturers, and I actually called a number of pipe manufacturers or what I thought was pipe manufacturers, and I did get one gentleman to call me back and he said he wasn't sure but he would go to his supplier. At this point I haven't heard back from him, but in getting online, there were articles about gamma radiation relative to PVC. I know that PVC has different iterations, so it is not all the same. So, the question would be is what kind is suitable? Some of the things they talked about were brittleness and then also strength issues. So, I'm not saying that there isn't something else that might work in there. I don't know. I don't know what effect Gamma has on other things. A couple of things they said was that HDPE was not affected by it, but that's affected by chlorine. That's the same stuff that WCWCD is trying to take out of the ground down here, right now, so we're not going to use that. And the other thing was stainless steel. But that's like putting platinum in the ground. It is really expensive. I know that they use stainless steel in reactor applications. So, those to me are two issues that somehow have to be addressed before we move forward.

I don't know if you have access to or even if Riley has access to any kind of experts in those fields, especially with the gamma radiation and materials. One of the things that we talked about was that there are three things that you look at in protecting something against gamma radiation. Time, distance and shielding. Those three things. Time is how long of an exposure: the time in this case would be permanent. The exposure would be constant. The Distance: It depends on where these hotspots are located. And then the Shielding. There are three basic types of shielding that you can use: water, cement, or lead. I know that even in nuclear reactor areas they use something I think called heavy water. It's a different kind of water, I don't know what exactly the Chemical makeup is of that. So, cement seems to be the most logical if anything was to be used and I don't know how it would be applied. I certainly don't want to bury pipe in cement. Whether you can put a shield up around it or something, I don't know? Kurt, you had talked about some type of soil cement or something like that.

Kurt Allen - Yes, we've done projects in the past with this soil cement and that's just using your native soils and Mixing cement powder with it. And then of course water to provide the moisture to get it to set. It's a low strength concrete so that you can still dig it. You know that some of these things are just unreasonable where soil cement is something that would possibly fit into the picture and still give that shielding aspect. I think that's what we need to look for is something that's financially feasible for the developer and still provides the shielding and the comfort level that we need to assure the shareholders that their water system is going to be protected. And so, I think that can be achieved. The Will Serve Letter that has the bullet points in it that has been formulated and we've discussed as a Board, I think, provides a commitment from you as a developer to be able to work with us to work these things out. I'm by no means trying to minimizing the importance of what Don is saying, but I believe that those things can be worked out and addressed prior to construction and the Board has actually come together and

agreed to move the Will Serve Letter on to our legal review and try to get it to the next step. You know, Don, I would suggest that maybe we continue to move forward that way.

Don Fawson - Yes, I sent the letter off for legal review this afternoon. So, we'll see what legal has to say. However, I did add a couple of items in relative to these two points. We just need your help. I don't think you want to get into this project and have a problem with it, and we certainly don't. And so, the two items basically; what kind of piping or material can we use that can safely be in that ground for many years to come that is not going to be degraded by the soil conditions itself. That includes the fact that soil tests in our area have shown them to be highly corrosive. So, if there is some type liner that can be put over it or something that could be explored. But the other thing, see what you can figure out on this mining issue because if people get their houses built there and then we see somebody come in and start setting up shop and hauling ore out of those mines, it's not going to be a pretty for anyone. So, you know I wish that these issues would not keep, poking me in the eye, poking you in the eye. But they are there.

I. SHAREHOLDERS COMMENTS

DISCUSSION	SILVER POINT ESTATES
	<p>Ralph Rohr - Excuse me, with regards to piping, you all know what happens when you leave PVC out in the sun, the ultraviolet eats it. Gamma radiation is just a bit of a frequency higher, much more penetrating, much more damaging than ultraviolet, which comes from the sunlight.</p>
	<p>Don Fawson - Yes, that's what I read too when I was online.</p>
	<p>Ralph Rohr - The other thing, if you're going to use some substitute makeshift concrete like soil concrete. You're going to have to do testing to find out what kind of thickness is needed to prevent gamma radiation getting through.</p>
	<p>And then finally, the alpha and the beta radiation are not significant as far as penetrating the pipe, but any of that, that'd stirred up from the dust and construction process, if it is ingested, becomes highly damaging to the human body.</p>
	<p>Don Fawson - You are right and there is a certain amount of that we know that's in the atmosphere, but certainly we want to keep it down below the acceptable levels.</p>
	<p>Ralph Rohr - The HOA, CC&R's protect and make specific that any construction people working there, they have to wash their hands before they eat, They have to wash off everything, they have to be very careful by getting the dust off of everything. And so, the question arises, what about the dust that settles all over town?</p>
	<p>Don Fawson - I don't remember in that site plan, if they have to wet it down, I don't know. I don't remember that piece of it, but you are right Ralph. Michelle, do you want to come up?</p>
	<p>Michelle Peot - Thank you for considering the risk to the town. I really appreciate Layna bringing up issues on our rights previously, I think that was really important. I wanted to echo what Ralph said that I don't think we should just wing it as far as coming up with this cement mixture for shielding without additional data, looking at that over the long term and whether that's an effective shield. And I also wanted to know what happened to the Certificate of Completion requirement because there was a notice filed against all the plats stating that LDWA would not provide water without that.</p>

Don Fawson - The Certificate of Completion as you know, has been an issue. And basically, the issue has been compounded by the State itself. And part of the reason for that is that they have issued what they call a "No Further Action Letter."

Michelle Peot - That's is different though. So, what happened because if you actually look at the developer agreement that was signed with the Town, it states that there's 149 acres here under the voluntary agreement, and in order for you to get COC, you have to clean up all of those acreage. So, the phrase No Further Action Letter is not the same as the COC for the State if you actually read the documentation on that.

Don Fawson - Yes, we understand that. Like I said, the challenge that we get into is that based on our conversation with the State, they have cleared that area, from their point of view even though it isn't a completion for the entire project

Michelle Peot - OK. I think the concern from both the Town, or at least from the Town and the prior Water Board of not having the COC is because then you're putting people right next to areas that have not yet been cleaned up, so when you disturb those areas, you are putting people at risk.

Cynthia Neubauer - I guess I'm coming before the board wondering why you're going through with the Will Serve Letter. I feel like this project is well beyond your expertise and you're sitting here wondering how much concrete you're going to need to protect the water, the pipes. Obviously, we need somebody with real expertise. I don't feel like our small water company can serve the development. And I'm wondering if perhaps we should let them get their water with the Washington County Water Conservancy Distirct, because what I fear is this is going to go through, they're going to build houses, the homeowners association is going to have some problem with the pipes, there might be some contamination. The homeowners are not going to be able to fund any repair. They don't have the expertise, so they're going to sue the water company and that's going to put all of us at risk. I don't understand why you are taking on this responsibility or risk for this one development that has so many issues that could go wrong?

Don Fawson - Good question. We've asked ourselves the same thing, however, one of the things I do want to say is this. We recognize our limitations, and we would not be the ones out making any kind of determination about what's safe and what's not. That would have to be the experts that are brought in to be able to do that. And that's all on the dime of the developer, it's not us. If the only thing we're worried about then is a lawsuit, then maybe if they decided to go with the Washington County Conservancy and I guess they could do that, then maybe that would shift to them. They are also us just in a larger group. As far as the contamination in the system, I think that based on our conversations with the State, the Cross Connection people in the Department of Environmental Quality regulating water quality they feel there are ways that we can go about mitigating those kinds of issues. So, I guess that's the best answer I have at this point.

Kurt Allen - If I could Clarify something and maybe give my opinion on some of this as well. I think that it's important that we don't put these 146 acres in a box and say that it's unique to itself, in and of itself. I think that the entire area, the Silver Reef area is susceptible to having this same contamination outside of this development. And our pipeline that comes down Silver Reef Rd. is within 50 feet of an existing mine right alongside the road and so we probably already have a pipeline in a contaminated area. So, I think it's a little bit naive to think that the problems are isolated to this project alone. And that we don't already have homes that are built on contaminated soil, and we don't already have pipelines that are in contaminated soil. But I do agree with the Board, 100%, to make sure that we take the necessary steps to protect our pipelines and to protect our water system. That's where our focus needs to be, is in the trench with our water line and how do we protect that? What happens outside of that is really not anything that we have control over, and we can't do anything about that, but we can control the process

in which we protect the water line. There are shielding methods and I think that we have displayed the fact that we are very interested in protecting our water line and providing the shielding for it and the developer is actually concerned about that and interested in it as well because they have, complied with every request the Board has asked of them to this point. It's been several months that they've been coming and asking for this Will Served Letter and the Board has, I believe, 21 or 22 bullet points that they have to comply with. We've had discussions with the developers about this and they have wholeheartedly bought into the fact that they will comply with those. One of those is that they will cooperate with us to take care of the contaminated soils and work towards getting that Certificate of Completion and that's one of the things that they've accepted to do. So, I think that it's great that you'd line up to come up and give your opinions on this thing, but you've got to also understand that we're looking at the big picture here and I don't think that this is just an isolated incident.

Brant Jones - I would like to add a little bit to this too. when you say how are we in a situation that we are in as a Board? There's a lot of nights that we go to sleep, asking that same question. Because this is not a new project. This is not something that just came up that we've been a part of the whole time. We are like, welcome to the project and get kicked in the mud. And so, we've been very transparent about it, these meetings are open. We appreciate everybody talking and we recognize who we represent but, that we represent everybody, right? So, there's people that have been here before us, and there's water rights that have changed hands. There are obligations that have already been granted and so please keep all of that in mind. There's a tremendous amount of volunteer service going on right here. At the end of the road some people are probably going to get a paycheck, I hope. It won't be us. We're here to serve the shareholders and we've been voted into this. Beyond this, you developers that might be hoping for a paycheck, are you doing this for free? (Talking to developers)

Jarod Westoff / Josh Wagstaff - So far, yeah

Brant Jones - But at the end of it, you wouldn't be here if this was a service project for you, but we would still be here. So, as you come up and give your remarks, please remember that we're on the same side. And we're here to provide water. We all drink the same water. We're in Town. We're using these things. So, honor the transparency and give us your thoughts and you know, share with us what you feel we need to know and then let us go to work because we're spending a tremendous amount of time trying to figure out a mess that we got kicked into.

Don Fawson - Thanks Brant, very good.

Angela Rohr - The steel, water, and concrete, were the things that would take care of radiation passing through

Kurt Allen - Shielding, the three types.

Don Fawson - Concrete, and water, and lead.

Angela Rohr - In reference to using concrete, which would probably be the cheapest, it could be that it requires a foot of concrete, not just an inch or a little smear coating. The, soil concrete you called it?

Kurt Allen - Yes, soil, cement.

Angela Rohr - Soil cement, OK. And cement isn't quite concrete. And if dirt doesn't stop the radiation, then that would mean that there would be like holes that it could be passing through with this soil cement as a possibility, but I think using maybe the EPA for references and the Energy Commission, which

is the Atomic Energy Commission, is part of the Department of Energy. Would hopefully give some good information.

Don Fawson - Thank you, Angela. You're absolutely right.

Ralph Rohr - Briefly, I would like to kind of put this in perspective; You were talking about what you have been dealt and the hands you're trying to play. First of all, Kurt, I do not agree with you that we should not put this in a box. This is a box and when I bought my property here, I did due diligence and made sure that there was not radioactive contamination in the Silver Reef area where we intended to live. But to put this in the appropriate perspective. When I was 10 years old the United States began bombing southern Utah with atomic weapons and atomic fallout, and they did so for about 30 years, and they damaged extensive industry and caused much heartbreak and many lives to be lost or compromised. This is all documented well, both by Robert with John Fuller. The day we bombed Utah, America's most lethal secret. Now the authorities and the experts in those days from the Atomic Energy Commission, now the Department of Energy, came and told the people very clearly there was no risk, that they didn't have to worry about it, everything was fine. They kept telling them that all the way through until about 30 years later their secret records were uncovered and it was shown that they were misleading people. So, the people of southern Utah are patriotic, trusting good people. But sometimes they can be over trusting. So, let's move ahead a generation 1995 the Department of Natural Resources commission an expert study which describes the radioactive features of the property, not the other toxins, and that study says this should never be used for residential development. PERIOD. That was the official recommendation. Well, what do you suppose that did to the value of the land? Worthless. So, and I'm just speaking hypothetically, along comes an entrepreneur says, Whoa, Cheap land, Buys the cheap land, and waits for the EPA Remediation process to kick in, but it's taking years to do that. So, the developer says, oh, I'll just go with this new voluntary cleanup program, and I'll be in control of clean up. And that has been going on for 15 to 20 years. It's been slow. And the reason it's been slow, is because there are some significant problems with this property? First of all, this sort of radioactive uranium mining contamination exists in many sites around the country. And never has a single site been remediated and used for residential development. Why is this? It is because there is no safe Exposure to radioactive material. And they say, well, we have limits here and the people in the hospital wear badges but the fact of the matter is that the damage is related to two things. The dose and the time over which it is delivered. The longer the time, the more you're going to have cancer, Birth defects, miscarriages, thyroid disease, and the list goes on and on. We're talking about a property here proposed to be used for families and children to grow for a generation. That's not necessarily safe according to the levels that we know exist in the soil there. And the proposals to develop this are going to include massive disruption of earth and rock. The ways they have tried to fix it already are being worn away by erosion. There is no good way to assure the long-term safety of people in this sort of a property, which is why it has never been done before. If we act, assuming that our regulators know what they're doing and actually what they're doing to get these requirements. They're just picking and choosing from various places nobody has ever actually looked at or what it takes to produce these problems in this sort of an environment and how it affects the people that are involved. I don't want us to trust. Well, we can trust, but prove. We need to know how you got this number that says, "you should only have this exposure" and why are you setting up rigorous protection Mechanisms for the Workman on the site and not informing the citizens of the Town of Leeds, what they have to do to protect themselves. So, these are serious. I mean, this book points his out. It makes the point there is no safe dose of radiation. You know there is no safe dose of radiation and why do we have to go to such great extent and trouble to help a developer. It was one thing back in the 50s that the people were told, well, this is for the defense of the country. So, patriotically they said we'll take the risk or what they didn't know was a risk and the AEC men were quoted behind as saying, "Well, they'll kind of be good for Guinea pigs and we'll see what happens in this circumstance. Yeah, we're asking people in this community to take a risk for the developer and his agents who have no idea what the impact is going to be on them health wise, long term? And to serve them with water when we don't know what is going

to happen. In the 1950s it wasn't until the 1980s that we finally knew the truth. The sheep men who lost all their herds and all of their livelihood in Cedar City, they retried the case. They said, well, the statute of limitations has expired, so too bad guys, you lose and what's going to happen after 10, 20 years and suddenly we have a lot of claims up there, the developers are going to be gone. They can deny any responsibility. So, who's going to be left holding the bag? So, I think with all respect, gentlemen and ladies, I mean, I know how hard you're working, and I know you want to be agreeable and helpful to people, that's the Southern Utah way. I think this thing isn't a box. I think it is a dangerous box and they cannot demonstrate a guarantee of safety for people. If you look at what they're going to ask homeowners to do, that have to be nuclear physicist to try and figure it out. And after a couple generations, who's going to remember? Well, I didn't agree with this, I'm going to dig up this part of my property for an orchard or garden we have enough trouble with HOA's as it is, I think if they have to manage radiation contamination, it's just asking for problems. And now what's the whole objective? The objective is not for the defense of the country. It is for the profit of an individual and excuse me, I don't think the risk is worth taking. Thank you.

Don Fawson - Ralph, I applaud your sentiments. I am going to give you a little personal thing on this, my wife's family lived here during those trials. They drank the milk from their cows after the Radiation landed on that. Her mother, father, two sisters died of cancer. She has had cancer, her other two sisters, have had cancer. They used to see the bombs go off. So, we're very intimately acquainted with that. I've also spent some time in the National Guard and out camping in Skull Valley, which was another site where they lost sheep So, I am acquainted with this, my wife is a downwinder, all of her family in that sense are downwinders. And I don't want to see anyone have to go through that kind of thing again. One of the things that struck me when you were talking was that out in Angel Springs when that was being developed, there were certain levels the government had established for contaminants in water, and they met those standards, come 10, 20 years later the government decided those standards were too high, so they lowered those standards, and basically said, Previously they said, "You're safe because we set these standards as safe." And later they said, "You're not safe because we said these standards are not safe." So, again, it's a battle of the experts. And just like you said during the 50s, they didn't really know. I'm sure they knew something, but they really didn't understand the long term effects, what kind of affect these things would have? We're struggling with that, and I hope that you know, the developers are also struggling with that whole thing. I think that at times it is easy to have an agency say, "this feels really good, you're fine." And one of the interesting things is that I've talked to Paul Wright. He is the District Engineer with the Southwest Utah District for the DEQ, and I was talking to him. He said, "Remember we had that conversation about the fact that I have not approved anything with regards to the water system." So, I talked to him, and I just asked him about what the order of the standards were, and he said, "The Will Serve Letter comes first and then the construction drawings, a capacity study, the water modeling, and then those copies are sent to him and reviewed by a gentleman by the name of Paul Beers. Then he said after the review there has to be remediation for any updates that need to be made and then when it's complete then they can get a letter of approval from the State. So, I asked, what are the standards and he said we have our basic standards. But then you can have your standards. We are going to approve it based on our standard list. So, you know, if you have other concerns then you can go ahead and put those in. So, in other words, they have this minimum standard that they are going by, and that is what they do. Again, there is a lot of conflict going on here. I know that we all wished everything was clean. And we didn't have to deal with this. But it is what it is.

Brant Jones - Can I add a little something to that, too. I never knew my grandma. She passed away with downwinders when I was about 18 months old. And there's a lot of things that they continue to discover and they're going to continue to discover new things. But it's already kind of been mentioned too there are different entities involved with this. It's a little bit mind boggling, we are the water company trying to solve this. We're sitting here talking about how brittle pipes are. And the integrity of the pipe that gets water to the homes. But we also need to remember that's what this Board does. This is a Water Board. This is not the EPA, we're not the Federal Government, we're not the State of Utah, all of those other entities that appear to

be signing off on this, if you have some information for them or you want to talk to them about it, please do. That's a different beast. OK, so if you're assuming that we don't have those concerns also you are wrong. But what we're concerned about here is the water, the delivery system, is it going to cost extra money to maintain and repair and, you know, if you come to the water company to solve the downwinders issue, it is kind of hard to get your head wrapped around, so help us with the water, and then if you have other help that you feel you can give in other ways, do what you can to influence these other agencies.

Ralph Rohr - Do we have to provide water? What I'm trying to say is why? There is no good reason to provide water other than the interest of one private individual who's seeking to make money off of land that has been condemned by official analysis.

Don Fawson - Michelle, you mentioned, you just said that you have approached those people.

Michelle Peot - Yeah, a number of us have spoken to DERR and critiqued the methodology that was given, and to be honest, we've just kind of received a lot of excuses. And we pointed out that the Site Manage Plan (SMP) is not being followed. One obvious example is that for three years they said there's no animal growth in this repository rated system. Does anybody believe that? I mean you can visually go there and see that there are. We also know that there were places that said that they were cleaned up and there was still, you know, a huge pit with contaminated bedrock with very high levels of radiation, as Ralph pointed out early on in the Town Council. So, I think it's very disingenuous to say that the site has been cleaned up and then the other thing is the disclosures that are recorded against the titles for the plats don't disclose just how much residual contamination is there, which was what brings up the downwinder scenario because I don't feel like people know what they're getting into with what's recorded against the titles today. So that's my concern. And then also just for the community as a whole, I think the recurring problem we've had is that Ralph mentioned that report that came out in 1995. It wasn't until 10 years later that the county commissioners informed Silver Reef residents of the existence of that and they didn't even state the alarming findings. It just said this report exists you can come down to the office and look at it. So, time and time again, there's been a real lack of transparency in terms of the hazards there and so we want to make sure that we do put this in a box and move forward in the right way so that we don't set up a situation where 20, 30 years down the line, people are getting cancer from it.

Don Fawson - OK. Thank you.

Michelle Peot - And I just wanted to say that a recurring theme that I have observed here is that we are a shareholder's owned organization and with elected officials. If it were a municipality, you would be required to list any conflicts of interest at the beginning of every meeting. And it's been apparent to me that a particular member of the Board, to be frank, sounds like a lobbyist for the developers, and that there's an appearance of impropriety, but without having that transparency of those conflicts of interest, we can't have that information in order for us all to make informed decisions. So, I'd like you the Board to consider amending the bylaws to, at a minimum, to have conflicts of interest disclosed. And preferably to recuse themselves from any voting decisions with regards to those entities with which they have a conflict. And I brought some records from the project documentation about that particular member for the record.

Don Fawson - Thank you.

Cynthia Neubauer - My question is that Kurt Allen, you mentioned just a few minutes ago that our pipes have been going through some other contaminated areas and I want to know what this Board is doing then to monitoring the pipes in those areas and if there is some shielding around those areas also. Now I am also worried about that, what specifically is this Board doing to monitor the integrity of the water in those areas then? Since we're not just putting this people in a box, what are you guys doing to protect us in these other areas?

Kurt Allen - We haven't done anything.

Cynthia Neubauer - And why is that?

Kurt Allen - Because we've got our hands full. We're busy.

Cynthia Neubauer - I'm sorry. That's not an OK answer.

Don Fawson – OK let me mention something here. First of all, we haven't specifically identified or has anyone identified and specific areas. The other thing is that the issue with the pipe in those contaminated areas, it's not the water, it's the integrity of the pipe. In other words, the concern is that the pipe may break or have a leak. Once that happens, then there's a possibility, if in fact there are some really unusual circumstances for possible contamination to get in. We haven't had any issues that we haven't been able to contain and repair. That's the reason that we're not worried. So, the issue with the pipe going through these contaminated areas it's not the water being contaminated by the gamma, it's the pipe being degraded.

Cynthia Neubauer - I went back and looked at some of the soil testing along Silver Reef Drive and there are some specific areas that are at our higher than acceptable levels. And I'm sure the pipes go right by there. And I'm not going to give the address because I don't want to alarm any of my neighbors, but now I am concerned about that and I'm hoping you guys would look into that and inform the shareholders what you're going to do about that.

Don Fawson - The point here is, that we're going to fix the pipe when it degrades. That's what we're going to do.

Cynthia Neubauer - So, you're going to wait till there's a problem.

Don Fawson - Basically yes.

Cynthia Neubauer - Do we ever test the water for contamination?

Mark Osmer - Yeah, we do. Yes, we do test every three years.

Cynthia Neubauer - What about the sight that goes right by that big mine shaft that's somewhat close to the 90 degrees turn by the museum? I'm sure from what I've looked at, the soil testing, that is very high.

Mark Osmer - We haven't done any soil testing there; we just test the water.

Cynthia Neubauer - Is there any way we can do soil testing and see if we need to put some of your soil concrete around the pipes in that area?

Don Fawson - That kind of defeats the purpose. The point here is that shielding is to keep the pipe itself from having a problem. If we dig down, we're actually creating a potential problem. There is always the risk of damaging the pipe. So, what would you do replace the pipe with something that would last longer? Why not just let the pipe last as long as it can and then replace it or repair it when that comes up? Does that make sense?

Cynthia Neubauer - I understand what you're saying in that, but is that giving us shield from the uranium because that is a uranium mine?

Don Fawson - The point here again is that Gamma does not impact the water quality. We just did that test, didn't we Mark? The one we do every three years. Are those results online Doris?

Doris McNally - They are. I'll add the link to all our Water quality Reports the minutes.
[<http://ldwacorp.org/water-quality-reports>]

Don Fawson - So, you go on the website, and you can look that up. How many different parameters do they check on that Mark?

Mark Osmer - I'm not exactly sure, but I know we're way, way below the maximums.

Don Fawson - Yes, it's a two or three pages of all different kinds of things they test for, and we have never had any issues with that at all, including radiation. So, I think we're safe in that respect.

Cynthia Neubauer - OK, and then my next thought was. I looked up some information and apparently, the regulations for the workers at the Silver Point is they have to wear special clothing, take special precautions, they have to be informed. What about the kids who move into that neighborhood? Who's going to inform them when they go dig a hole to play, or make a Fort or, you know, they are going to want to. I don't know, you know how kids are, go play in the mine area. Who's going to inform those kids? Are these developers putting their families in these homes in these areas and to grow up to be contaminated over 20-30 years? No, this is not just water.

Brant Jones - You're right. It's not just water and if the testing comes up, like you know there's a lot of places that copper and lead have become an issue to these who used to think it was no big deal, if it becomes an issue with the quality of water. But the question is, who is going to inform families. It's not the water company. We are delivering the clean water. You see what you're saying?

Cynthia Neubauer - At some point you have to step up. And go beyond what your responsible for.

Brant Jones - That actually becomes a legal issue. If we're trying to do things that are not.

Cynthia Neubauer - That's the point, it's always somebody else's responsibility.

Brant Jones - Well, the point is, 20 years down the line when people die, it's going to be another legal issue if that's what happens. And I think the government paid \$20 grand for my grandmother.

Michelle Peot - LDWA doesn't have governmental immunity like the State does or like the Town does. So, if somebody's looking for an easy place to sue, guess where that's going to fall.

Brant Jones - Exactly, and so when you come into a situation where decisions have already been made, water rights are transferred and we're trying to say, as much as possible, how can we deliver safe and clean water to the homes as a water company. That's our responsibility? So, if there's other issues, we're concerned about that too. You are not going to see me up there laying out on the lawn. I have heard enough on it. Who does inform them? Probably not the water company.

Anita Deblinger - I don't think there's a lot of people in town that know any of this. And if I have to go from door to door.

Brant Jones - That might be the case.

Anita Deblinger - Maybe there'll be more people here to represent what they're feeling and how they feel about this whole Project.

Don Fawson - We would love to hear from you, let's go ahead with Jared right now and then you can come on up.

Anita Deblinger - That's OK, Cindy said what I was going to say.

Jared Westoff - I just wanted to thank everyone for their comments both Pro and Con. I really haven't heard any Pro. I do want to ask for some understanding here. There's a gentleman who was connected with 5M and went and researched 5M property and said where are the pieces of all this 5M property that did not have any extraction or not extraction, but separation. And didn't have any tailings and you know had some spoils. And so out of all that 5M property that came up with was these 149 acres and then he voluntarily entered a cleanup program. And then spent, you know, tons and tons of energy, time, money, and is diligently doing their best to clean it up and follow the process that the State has required, and the goal is to have a nice, safe, clean project. I know the first step was segregating the piece off from another piece where maybe the extraction or more of the separation was happening with minerals and then secondarily to then say, OK, this is a piece that really didn't have any tailings. And just had some spoils and then entered into a clean-up process and has done a lot of work to clean it up. I'm only aware of one other landowner in the city that's gone through a cleanup process. I did own the Beal property at one time so, I did an environmental phase one testing on that and when our environmental phase one guy came out, he couldn't help himself and he trespassed onto this property and did some testing. And he also was hired to do some testing on Silver Reef on one of the homes and then did some testing on a million-dollar home in Eldorado Hills. And as far as hot areas, it's not limited to this property's boundaries. I've seen the test; I know what they came back at. And there are other areas that have issues right there in Silver Reef and I specifically know of one of the homes that was tested and know that it came back hot. So, here we have a process we don't control that land, it's not our land, it has nothing to do with that. We got involved in this process because we had understood there was a recorded plat, and that this environmental process had been undertaken, and that there was the Phase I area, the environmental cleanup, which is also the phase one and two of the plats, had been fully cleaned up with a No Further Action Letter and that it was safe for residential development. So, we're respecting that process and we understand that in that process as construction is done, that there's further requirements to make things safe. We respect you guys as a Board and the conditions that you are diligently working through. We found two more tonight. We want to work through those, and we want to do this safely. So, we appreciate it. I know we're hoping that at a certain point that we'll have gone to the bottom of whatever conditions we need to do to put water lines in safely. That's our intent and the action that we're in this stringent process working with the State. We intend to follow it and continue to hire the right experts to monitor it and make sure we're following it during construction. Anyway, we appreciate your time, and we would hope that people would not beat somebody up that is spending a ton of time and effort to clean something up. Because it could very easily be a problem. And that's not the intent. The intent is to clean it up, and do it in a safe, respectable manner. I appreciate your time and your diligence as you look at our request.

Don Fawson - Ok, Thanks Jared. Michelle and then I think we're going to call it for tonight.

Michelle Peot - I just wanted to point out, I probably am one of the few people that's actually read all of the project documentation. I wanted to point out that some of the things that Jared said are actually contradicted by the project and by things that Richard Sant said. So, going into this project there had been a ton of surveys that DERR did as well as the Radiological Service that came out just to document how contaminated that land was, so it should not have been a surprise. What they found out as they did the cleanup, if you go through the old LDWA agreements and the conversation with Rick Sant, he disclosed that they found far more contamination than was expected, so to say that it really wasn't that contaminated I think it's just

disingenuous. If you actually look at the remedial action report, it shows how they had to take multiple passes on some areas in order to attempt to meet benchmarks, but yet they still did not meet benchmarks in some areas. So, the difference between not doing a cleanup, I want to say first though that I do appreciate that effort was taken here, but I think given the information that everyone knew going in and the fact that it's unprecedented to do a voluntary cleanup on a uranium mining site should have been a red flag to not proceed. Again, as Ralph said, this area was flagged as not being appropriate for residential and you know to be honest, it was just a recreational area that would have been a whole lot safer than trying to put houses on it where the exposure time goes way up. But again, my problem, big problem with it is, the number of residual hazards that are left and the fact that it's not being disclosed.

Don Fawson - Thankyou Michelle and thank you everyone who has made comments. I want you to know that.

Darryl Lewis - May I make one more.

Don Fawson - Go ahead Darryl.

Darryl Lewis - You know there's been a letter floating around that I recently received. That was titled An Open Letter to LDWA Associates, and I'm going to read it because it has a lot to do with what we're talking about tonight and this letter has been out there circulating for maybe 5-6 months. It's been around a long time.

'The current request by the developers of Silver Point Development for LDWA Water is not the first request that has been made of LDWA to deliver water to the homes in this development. It has been established that considerable amounts of contaminated ground exist throughout and around this development. LDWA laid piping would have to travel through this contaminated ground. LDWA in doing its due diligence, has not been able to secure a warranty for the safety of water traveling through a delivery system, in this type of contaminated ground. No viable way of protecting the water from the radiation as it travels through the contaminated earth has ever been developed, even inside the pipes. The state of Utah and or federal agencies have not been willing to warrant the water delivery through this type of contaminated soil. If LDWA should choose to deliver water through the contaminated soil to Silver Point, LDWA would be solely responsible for any and all ill effects to the end users of the water. LDWA would be putting the entire association in great financial and legal peril. All the associates could find their investment in and their reliance on LDWA as our provider of drinking water can be completely eliminated.'

It occurred to me that if you're driving down I-15 and you're below 80 miles an hour in speed on the freeway, and somebody takes exception to your 70 mile an hour speed limit and wants to make sure that you're penalized for that, the Government basically says go fly a kite. They are well within their rights to do that and you have no right to concern yourself with that. I am concerned about what LDWA is not doing; I want to be careful how I say this because I don't want to be rude; but I want to get the idea across. We need to be able to hide behind Federal Immunity in the delivery of water and if we are not able to hide behind State or Federal immunity by doing what they say is the correct thing to do with the delivery of water, we are hanging our association and ourselves out to dry. And I'm not sure that any of you, I've heard comments tonight that say our water is suspect right now, so it's perfectly fine to have more suspect water. What a ridiculous statement that is, I'm sorry, Kurt, but that is ridiculous. I'm sitting here listening to you and I'm listening to what is going on here and I'm saying how long is it going to be before a developer will walk into LDWA and LDWA will say we will go find your water rights and bring them in, you don't have to do that anymore. This Board should be saying to the developer this is a list of things that we need in order to provide you water and one of the things is Federal State immunity, go get it. We're not going to waste our time and spend our money doing this, you go get it. You're the one that wants to do this development. You guys are all grey. That means you've been around long enough to know and read development after development after development that is built and sold, and the developers are in the Caribbean spending their money while the development is sinking and causing a whole big bunch of trouble that they've left behind. It's fact. Just tell these people to go get their liability in place for you. It's part of the whole development situation. Don't waste your time on it.

II. MOTION TO ADJOURN MEETING

DISCUSSION	MEETING WRAP UP
<p>Don Fawson - Thank you, and again I want to thank all of you. No decision has been made at this point in the final phase and there are still things, obviously based on the couple of things that we talked about tonight that have to be worked through. So, if you want to go out and get people here so that we can all talk about this together then that would be fine too. We're certainly not opposed to that. I do want you to know that we are concerned about liability. That's not something we've just shoved to the wind. So, there are still things, like I said, that we are working on with our Attorneys and need to work through. And so, hopefully, whatever happens will be something that protects people, that protects the company, that takes care of those needs as well as anything.</p> <p>At this point now I'll call for the vote to close the meeting.</p>	
VOTE	MOTION TO ADJOURN MEETING: Brant Jones SECOND: Doris McNally MOTION APPROVED: Unanimously

ADJOURNMENT: 8:21PM



Layna Larsen / Corporate Secretary



LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2. ANNOUNCEMENTS

- a) Consent Agenda
 - o Acknowledgement of Meeting Notice
 - o Vote to Approve This Meeting’s Agenda
 - o Vote to Approve Previous Meeting Minutes

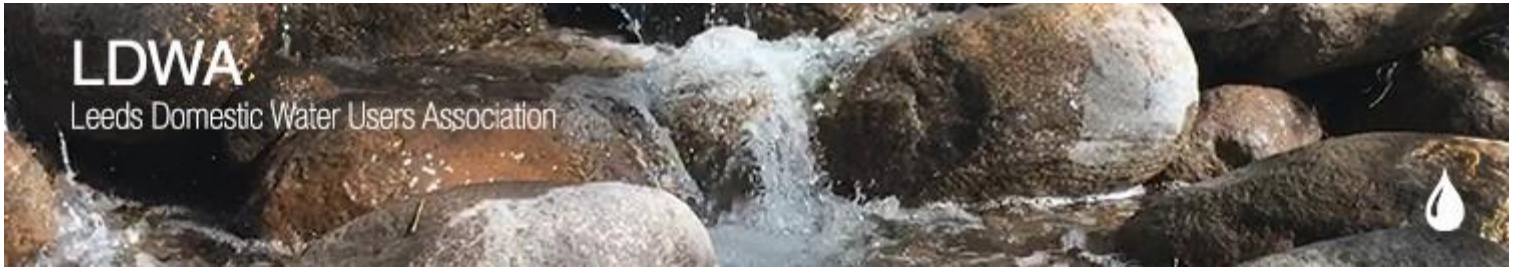
3. OFFICERS REPORTS

- a) President’s Report [[Don Fawson](#)]
- b) Operations (Field) Report [[Mark Osmer](#)]
- c) Office / Finance Report [[Doris McNally](#)]
- d) Administration Report [[Kurt Allen / Don Fawson](#)]
 - o Update on System Project

4. SHAREHOLDERS COMMENTS

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)

5. ROLL CALL VOTE TO CLOSE MEETING



MINUTES

DATE/TIME/LOCATION:	June 21, 2023	7:00 PM	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen (Corporate Secretary)		
ATTENDEES:	<p>Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T), Alan Cohn (M), Brant Jones (M)</p> <p>Staff: Layna Larsen (Corp Secretary), Mark Osmer (Field Operations Mgr)</p> <p>Shareholders: Jared Westoff, Susan Savage, Daryl Lewis, Ralph & Angela Rohr, Anita Deblinger, Michelle Peot, Cynthia Neubauer, Nancy Baldwin, Martha Ham, Peter Mills, Jachie Susnik, Julie Bruly, Phil Ayers, Rhonda McLaughlin, David Rhodes, Jim Thomas, Terry Bilyj, Bob & Susan Verbic, Richard Kohler, Ron Cundick, John & Elsie Beck, Terry Alan, Stephanie Martini, Genevieve Lyman, Elliott Sheltman, Judy Wilkinson, Mary Pettit, Kevin Kershaw, Teri Harbour, Manuel and Josephine Goy, Linda Horsley, Rochelle Gardner, Sidney Bevan, Yvonne Way, Michael Budion, Patrick & Judy Henck, Lynn Potter, Robert McNally, Dianna Powell, Corinne Rodriguez, Alan & Susan Roberts, Danny Swenson, Terry Beesley</p> <p>Guest: Peter Gesser - LDWA Attorney (zoom)</p>		

Agenda Topics

I. CALL TO ORDER [DON FAWSON @ 7:00PM]

CALL TO ORDER	Don Fawson - Lets begin, we would like to welcome all of you here tonight. I'm not sure exactly the reason for you being here because we've had a number of meetings and it's been very sparse, so we hope that we will meet your need for excitement, whatever that is, and we hope that whatever it is that we keep this in a very positive vain as we work through the concerns that maybe you have tonight. We'd Like to start with a prayer and ask Tiffany Jones for that.
ROLL CALL	PRESENT: Don Fawson, Kurt Allen, Doris McNally, Alan Cohn, Brant Jones
PRAYER	Tiffany Jones
PLEDGE	Don Fawson

CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously

II. OFFICERS REPORTS

a) PRESIDENT'S REPORT [DON FAWSON]

DISCUSSION	SPRING FLOW
<p>Don Fawson - I wanted to mention that the Spring Flow this morning after 6:00 o'clock in the morning, we had 29.5 cubic feet per second coming down the Creek which amounts to 13,240 gallons of minute. About 12 to 13 times more than we had last year. Based on that, we're not having to pump the well, particularly because the LWC company has more water than they can use right now. Mark told me today we're getting about what 220 / 230 GPM from the spring which is awesome.</p>	

DISCUSSION	AGENDA OUTLINE
<p>Don Fawson - Let me just go over the agenda outline. First of all, the Shareholder comments will be reserved for the end of the meeting. We want to acknowledge our attorney Peter Gessel from Smith Hartvigsen, who is with us remotely, joining us on Zoom.</p> <p>We will talk about the petition that's been circulating. Then Mark will give his Report. At that point Doris will give the Financials. Brant will give us a report on his relationship with LWC the Leeds irrigation company. Kurt will give us an update on the progress of the major projects that we're doing within the Water system. At that point we will have Silver Point Estates make their presentation. Then Ralph has a presentation that he'd like to share. And then after that we'll have public comments. So, we will proceed in that order.</p>	

DISCUSSION	PETITION
<p>Don Fawson - We received a petition signed by a number of shareholders in town. I don't remember the exact number. Do you have that?</p> <p>Michelle Peot - Yeah, so we just got one more it's representing 90 total LDWA Shareholders.</p> <p>Don Fawson - The petition was asking that a requirement be added to the LDWA Bylaws requiring that there be a "Conflict-Of-Interest Statement" at the beginning of each meeting. To identify anyone that might have a conflict pertaining to anything that's going on in that meeting. And we think that is a good idea. However, we are not able to add anything to the bylaws. That's something that has to happen at the February Shareholders Meeting. In the meantime, we'll go ahead and put together a policy that basically does the same thing and put that onto our Agenda's. So, at this time I'm just going to ask if anyone has a conflict of interest relative to anything.</p> <p>Alan Cohn - I have no conflict</p> <p>Brant Jones - I don't</p>	

Don Fawson - I do not

Kurt Allen - I'd like to make a statement in relationship to this petition. There's been some doubt put into people's minds that I am tied to the Silver Point Estates project and I want to go on record saying that I have no ties to the project. I'm not gaining any financial gain from it. I'm not involved in it in any ownership position. 10 years ago, I worked on this property as an employee to the contractor that worked as the cleanup contractor, and I was merely an employee at the time. I have no conflict of interest. It's my opinion that this proposal added into our bylaws is a good idea.

Doris McNally - I have no conflict.

Don Fawson - Also just to clarify, we passed this by our attorney relative to the concern that some had about Kurt, and he said the same thing, Kurt said. That Kurt does not have a conflict of interest based on what happened many years ago when he was a contract worker. OK so, moving on we will go ahead and take care of that. Mark, do you want to come up and give your report?

b) OPERATIONS / FIELD REPORT [MARK OSMER]

DISCUSSION	TANK OVERFLOW / HIGHLAND DRAINED & CLEANED
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Mark Osmer - We excavated some piping up near the two little tanks, the 60,000 and 30,000, and we re-piped it so the highland tank overflow, now goes straight into LWC head gate. That eliminates the altitude valve and that will save us some money.

We excavated by the Highland tank to see exactly how many pipes went into the Highland tank, and what they all did. While we were doing that, we actually drained the tank, we cleaned it, we sanitized it, and put it back online.

DISCUSSION	REPAIRS & MAINTENANCE
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Mark Osmer - We passed our BacT test again this month. We fixed a leak on 10 S. Main St., fixed another leak on 56 N. Main St. and installed a new meter setter on 72 Mulberry Lane because it was leaking underground. We did routine maintenance on the PRV's and we excavated, and installed a vault at the bottom of Oak Grove Rd on the spring line and installed a meter. Kurt was nice enough to work with Sunroc to obtain a vault with a lid, so we have easy access to the meter. This allows us to monitor the spring flow without having to go all the way up to Oak Grove. And then we just did routine maintenance on the system.

Don Fawson - That was a lot.

Doris McNally - It really was. Thank you

Alan Cohn - Prior to re-piping the overflow from the tank, the town whether it be LWC, or LDWA were not benefiting from the overflow. It was just going down into the wash?

Mark Osmer - Yes, it was just going down into Grape Vine wash and disappeared into the ground. So, now if LWC doesn't need it, it just goes back into the Creek. Which is good,

Don Fawson - It just goes back into the source of where it came from, Leeds Creek. So, it goes back into its original source which is exactly what we are required to do. So, that took care of that problem. We didn't even know that the overflow line was there did we Mark?





Mark Osmer - Nope.

Don Fawson - And so by doing some exploring we verified what connections we had since we had tried to find engineering drawings and whatnot on that Highlands Tank, and they were not there. So, thank you Mark.

Mark Osmer - OK

Kurt Allen - Thank you, Mark.

C) OFFICE / FINANCE REPORT [DORIS MCNALLY]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION
BILLING Billing for May was completed/mailed on June 1st.	 <p>LDWA News Drips</p> <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p> <ul style="list-style-type: none">• To report an EMERGENCY water leak or a loss of water, PRESS 1• For a BILLING INQUIRY, PRESS 2• For a GENERAL INQUIRY, PRESS 3 <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p>
NEWSDRIPS The June's Invoices included an in memorial article acknowledging the contributions of past boards member Ray Beal who passed away in April.	In Memoriam  <p>We'd like to pay tribute to Glenn Ray Beal, a former board member of the LDWA, who passed away on April 26, 2023, at the age of 86.</p> <p>Ray served on the LDWA Board intermittently between the years of 1975 through 1990. Everyone who knew him called him Ray rather than Glenn. Ray lived his entire life here in Leeds, and lived a life of service to our country, to the Church of Jesus Christ of Latter-day Saints, and to our community.</p> <p>We want to acknowledge Ray's contributions and willingness to give of his time and service.</p> <p><i>"As tiny drops of water shape a landscape, so our minute-by-minute choices shape our character."</i> -James E. Faust-</p>
For July's Article I have proposed three draft articles: <ol style="list-style-type: none">1) Announcement to shareholders about upcoming Backflow & Cross-Connection survey.2) Info about Payment Options including PayClix.3) Article on Water Conservation.	 <p>LDWA News Drips</p> <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p> <ul style="list-style-type: none">• To report an EMERGENCY water leak or a loss of water, PRESS 1• For a BILLING INQUIRY, PRESS 2• For a GENERAL INQUIRY, PRESS 3 <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p>
Based on the feedback from the Board on this drafted article I'd like to MAKE A MOTION to approve the Article for the upcoming July's Invoice production run, regarding the upcoming BackFlow/Cross-connection Survey.	IMPORTANT SURVEY  <p>In the coming months you will be receiving a survey from the LDWA. In compliance with the State of Utah Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ), we are required to carry out a program of Cross Connection Control that helps protect your drinking water from contamination. The first step of this program is to get insights from you.</p> <p>Reducing and eliminating Cross Connection Hazards is a required regulatory requirement of the State of Utah. We are asking each shareholder to complete the survey and send it back to us.</p> <p>Thank you for helping us to keep our Water Company "safe and independent" by maintaining compliance with DDW / DEQ regulations and allowing us to continue to have some of the best water in the State.</p>
VOTE	MOTION TO APPROVE THE NEXT ARTICLE: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

DISCUSSION	SURVEY
Don Fawson - I might mention that the survey is required by the state, and the more participation we can get, the better off we are as far as our point system is concerned. So please fill it out and get it back to us if you would. We're going to put stamps on the return portion so all you have to do is fold it up and send it back. It's not going to require you to spend the postage.	

DISCUSSION	FINANCE																																	
PAYCLIX																																		
<p>In May we had 75 shareholders paid their bills using this payment option. The total amount collected through PayClix was \$4,367.46. With 61% paid via credit cards & 39% via echecks.</p>																																		
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D) ADMINISTRATIN REPORT

DISCUSSION	UPDATE ON LWC [BRANT JONES]
	<p>Brant Jones - Maybe some of you don't know or maybe don't need to know, but part of my responsibility is also with the LWC which is the Leeds Water Company, or the irrigation system. I also serve on that board with the intent to have a good working relationship with LDWA and the water that we all share. There are different water rights that each company owns, and part of the process we have been working on is metering the systems so that they can all be metered and be under the direction of the State requirements for how many gallons each company uses. Also, part of that is a working agreement document, so that when none of us are still on the LDWA Board that it's easier for the two companies to continue to work together. It's critical to have the two companies get together and work together. It's pretty easy when there's so much water in the stream, like this year. But in the dry, dry years, when there's little water flowing down the system it can get a little heated. My effort is to try and work with the two companies. Those are some of the projects that we're working on right now. We're also considering sharing some of the workload and expenses of the two different companies and see if we can combine and save some money for both Companies. We're also working on a relationship with the delivery system of the LDWA and the water that comes down from the Spring now that the meter is installed, you know, we can look and can verify the flow of water. It just works better. So, those are some of the things that I'm working on between the two Companies.</p>

Don Fawson - We really appreciate Brant and his work with that, and we want you to know we talked about working together, whether it's sharing some secretarial time or whatever, that would not be us paying for any of their usage. That would all be them contracting with our people to give them a service above and beyond their work working or us

DISCUSSION | **PROJECT UPDATE** [KURT ALLEN]

Kurt Allen - I second everything Brant has said. We're excited to work with LWC and the projects that we're doing have a direct correlation with our relationship with the irrigation company and I think that this is healthy for everyone.

DISCUSSION | **NEW WELL** [KURT ALLEN]

Kurt Allen - The Well, we'd like to get that going just as quickly as possible and get a well driller to get started drilling the second well. The Well location has been determined and it's my understanding that they've given us the Start Card to be able to proceed. We just need to pick a contractor and get started on the Well.

DISCUSSION | **MAIN ST PROJECT** [KURT ALLEN]

Kurt Allen - The Water Conservancy District (WCWCD) engineers (Civil Science) are working to get their proposal out to bid. For those who may not know, The Conservancy District project is a 24-inch pipeline going down the West side of Main Street extending all the way through Town and going north towards Anderson Junction. LDWA has partnered up with the Conservancy District to install a 10-inch water main in the same trench as the 24 inch with one contractor installing both. So, we've been working with the Conservancy District move ahead on that basis which is going to save the LDWA a lot of money. Right now we've got our materials bid back and we know that our materials are going to be right around \$500,000. Once the contract is bid out for the installation, then we'll know what our share of that expense is going to be. But everything is poised to happen, and I would suspect that they're going to have that out to bid very soon.

DISCUSSION | **THE SPRING LINE** [KURT ALLEN]

Kurt Allen - The Spring Line project is going to be coupled with the east side of Main Street pipeline, and we are working with Jones & DeMille Engineering to design that, to do the preliminary studies, to do the survey work. They are getting prepared for the middle of July to bid that out to a contractor. That will go out to bid as a combined bid, one contractor will do both projects. It'll be awarded to a contractor that's the best qualified and we'll work with that contractor to finalize the design. They will be bidding on a 60% complete Drawing and then we will do a partnering effort with the contractor to finish the design and to make sure that the Design and the contractor's expectations run smoothly through the construction process.

DISCUSSION | **THE NEW WELL** [KURT ALLEN]

Kurt Allen - The next project that we're working on currently is the new Well. We have test pumped the existing well and prior to the test pump we were running at about 350 gallons a minute (GPM). The test pump was at 650 GPM, and it was very successful. The Aquifer supported that and so we left the larger pump and the larger motor in that well. So, our current existing well is set up to potentially run at 650 GPM.

The New Well, because of that, has been located in the near vicinity of the existing Well and it is nearly ready to go out to bid. There will be a separate contractor unrelated to the other projects that will bid the New Well and their contract will include a new well house, new electrical, new SCADA control system, new telemetry and it'll be all inclusive with that well drilling contractor.

Don Fawson - Ok, Thank you Kurt. I just want to mention, as Kurt mentioned the well can pump 650

gallons, but we have a control system installed so we can control the volume. We can pump any required volume up to 650 gallons per minute.

DISCUSSION

SILVER POINT ESTATES

Don Fawson - Getting back to Silver Point Estates, Jared Westoff has been representing Silver Point Estates and he came to us a few months ago to ask for a Will-Serve Letter, which is a document stating that LDWA will provide water to the Silver Point Estates development under specified conditions. And for those of you that don't know, Silver Point Estates is on the West side of I-15 it is out in the Catholic Cemetery, Protestant Cemetery area in Bonanza Flat. So, Silver Point Estates had previously deeded 105-acre feet of water to LDWA to meet the requirements for the potential 105 lots to be developed. We, as the LDWA Board have felt the responsibility to serve them water while also doing our due diligence to assure that current and future shareholders including any Silver Point Estate shareholders would be protected from potential adverse effects, both physical and or legal, as it relates to LDWA serving water to Silver Point Estates. Part of the driver for our focused due diligence has to do with unfortunate, costly past experiences with previous developments in our community being installed in a substandard way, coupled with the fact that we are a group of volunteers trying to understand the risks and challenges that do or could exist with supplying water to Silver Point Estates and then finding the best way to cooperatively mitigate those risks and challenges. Over the past few months, Josh and Jared have been working cooperatively with LDWA Board to verify water rights and design the best possible scenario to create as safe an environment as possible for the current LDWA shareholder residents, the future shareholders of Silver Point Estates, Phase One, and the LDWA field staff. The Board has worked with many agencies and individuals, gathering as much information as possible to understand past history, issues, and rights and responsibilities in order to work cooperatively with Silver Point Estates representatives, in creating the best and safest pathway forward. We know it has been frustrating for them as new challenges have presented themselves and we have appreciated their candor and cooperation during this process. Jared, do you want to go ahead and share with us where we're at this point?

Jared Westoff - Thank you Board, appreciate being able to be here. Basically, I think we've been at this process for about 8 months, and we appreciate the diligence of the Board and the carefulness of looking through the different issues. The issues with this property take a bit to get one's head around and understand, the environmental cleanup report is long, there's a lot of reading to understand the process of what's going on or the history of this property versus neighboring property that's still in, I believe, 5M ownership. So, we appreciate all the diligence that's gone forth. We are requesting a Will-Serve Letter at this time because we believe that we have complied with our contract and that we have met the LDWA policies for our requested Will-Serve Letter. It's that simple. We believe those requirements have been met. We appreciate that LDWA has asked us to do some things that aren't normally asked, and we have gone ahead and said we're willing to do that. Several of those things I might mention are: you've asked us to bring in imported fill to go on the bottom, side, and on the top of the pipe. You've asked us to add additional Valving so that we can have smaller sections if there ever needs to be a repair so that we can section off the system. We have done that. You've asked us to add additional fire hydrants so that if there's ever a need to drain the system that it's a logical low spot to do that. You've additionally asked us to have you hire an inspector that would be inspecting that we're following the process required by the state and the clean up so that we're continuing to comply with the stringent requirements (of the Site Management Plan) to make sure this is done in a safe way. And that you hire the inspector, and we pay for it so that we don't have direct contact with that inspector and that you can feel comfortable that you're getting inspection reports that are from an independent party. And so, there may be other requirements that I think you've asked for but those are at the top of my requirements that I can think of at the moment that you've requested that we have agreed to and adjusted our construction drawings along with the

other red lines that you gave us of normal red lines for construction drawings. And so, we believe that we've complied. We would ask that if there is a no vote to provide us a Will-Serve Letter that we would appreciate it if you would state the reasons why as it relates to any of the bylaws of LDWA, policy or regulation, or any state statutes, so we could understand the reason why & what we need to do to comply.

Don Fawson - Any questions?

Brant Jones - Yeah maybe I'll just say something. You mentioned it taking quite a while to get to this point. I don't know to what extent you're willing to continue to work on things or wrestle with this. I don't know if you've considered simplifying it and if the company were to give the water rights back. I haven't, and I don't know of anybody on this Board who was part of bringing in and accepting the water rights that were legally brought into this company which puts us in an interesting position to try and get to the point where we're doing a Will-Serve Letter here, but if those water rights were given back and then you could approach the Washington County Water Conservancy District to provide the water for your project. Is that something that you would consider?

Jared Westoff - At this moment I would say I don't know what to do with that. Let me think about it. I mean, our preference is that we could go forward. We understand that this is complex and that there are concerns. We also recognize that an LDWA water line is running through that area and through part of that property right now and has for years and years and years, and we think that this can be done safely. So, our preference is to, I mean, we've got years and years and years of relying on this contract, we moved water into the LDWA, and we've been expecting a Will-Serve Letter for years. We went that way, and we made business decisions based off of that and so, I'm not saying no, but I'm saying we would like a Will-Serve Letter and as we dial into that issue, maybe it doesn't make sense.

Don Fawson - So, based on that, how do you see this proceeding? Do you want time to be able to go work with your people and figure this out?

Jared Westoff - Our feeling is, we have a contract in place. We've complied with the contract and we expect the water company to now comply and send us a Will-Serve Letter. If we want to keep talking about an alternative and we can figure something out, I am pretty creative, pretty resourceful, willing to look at options, willing to do the same with the town. We are willing to look at it. But where we've done our part, we expect the LDWA to do their part.

Don Fawson - Peter, any thoughts at this point?

Peter Gessel - Can you hear me OK?

Don Fawson - Yes,

Kurt Allen - Can everybody here? OK.

Peter Gessel - OK, thank you, I'd like to speak some to the process of this. You've all been involved with this for a long time, and you know the history of the project itself. I'd like to talk some about the history of the paperwork because that's what lawyers do. So, what happened is back in 2010 is the LDWA issued what I would characterize as a Preliminary Will-Serve Letter. They set forth requirements that would need to be met by Silver Reef Investment Holdings in order to be issued a Will-Serve Letter. Those were outlined, the terms were quite broad. That being said, we do have a standard language and considerations that go into all of those Will-Serve Letters when they're issued, and those of course are being included as well. With that being said, there are numerous additional terms, which have been

discussed to some degree here, which have been negotiated with Silver Reef Investment Holdings due again to the unique nature of this property to account for any other potential hazards that might be there. Really this is how this process is designed. That's why we do Preliminary Will-Serve Letters as a water supplier and that provides the conditions and the framework in which to come to terms to where the letter is issued. Those terms have been negotiated. I know one of the items requested by the Association in the past was a copy of the Certificate of Completion for the voluntary clean-up program. The Voluntary Clean-up Program is a clean-up alternative run by the Utah DEQ, Division of Environmental Response and Remediation. As part of that program, I don't know how much we need to get into depth with it, but the point is this Phase One of the Silver Point Estates. So, the voluntary cleanup program, is larger than just this Phase One. So, the companies, the associations said, '*we want a copy of the certificate showing that all the terms of the voluntary cleanup program have been met.*' And the response from the State was, well, we can't. The whole site isn't done, the whole site has to be done in order to issue that certificate. What the State did issue was a letter of "No Further Action Required" letter. And what that letter said was that all of the required activities that are included in the voluntary cleanup program, all the required activities in Phase One have been completed. OK, now let's be clear on what a certificate of completion is, A Certificate of Completion is what certifies to the landowner that the State of Utah no longer holds the landowner personally liable for any future cleanup on that property. So, the certificate simply says we don't hold you liable anymore. Okay. Beyond that, what LDWA is concerned about is, *has the cleanup been done to protect the company's interest to ensure that safe water can be delivered to Silver Point Estates.* You know in all honesty as far as the LDWA concerns are involved, the association as a water supplier, the letter of No Further Action, meets those requirements in terms of ensuring that the necessary remediation has taken place, and there's a Site Management Plan (SMP) in place, that is part of the terms of the Proposed Will-Serve Letter, and so, again as far as the extent of the Associations interests in the Voluntary Cleanup Program and in that Certificate, the purposes of requiring the Certificate are fulfilled by that letter of No Further Action. The work on this site by the State's reckoning has been completed. OK. There are again those additional provisions with the Will-Serve Letter negotiated with Silver Reef Investment Holdings and based on how this process is designed, the Primary Will-Serve Letter to the exchange of plans of assurances, negotiating of terms, looking at designs, developing these compliance terms, and the standard provisions included by the Association. These are established procedures that are part of how the Association does business and based on the progress of those negotiations and where they are today, I recommend that the Board approve the issuance of a Will- Serve Letter to Silver Reef Investment Holdings for Phase One of Silver Point Estates.

Don Fawson - Any questions among the Board members. I will entertain a motion.

Kurt Allen - I make a motion that we follow the advice of our Association attorney and issue a Will-Serve Letter to Silver Point Estates.

Don Fawson - Is there a second?

Ralph Rohr - I object to that motion.

Don Fawson - You don't have the right to object, I'm sorry.

Ralph Rohr - Can you at least hear

Don Fawson - No, we are not going to do that.

Michelle Peopt - We can't hear the conditions, the shareholders of the company that we all own?

Don Fawson - We'll talk about that at the end.

Shareholder - Can't you vote at the end of the meeting?

Shareholder - Couldn't you talk about it after the vote?

Michelle Peot - This is our organization.

Shareholder - We are the Shareholders

Don Fawson - You know, I understand that.

Shareholder - I really don't think you do.

Shareholder - What's the big deal about waiting till the end of the meeting to vote.

Tiffany Jones - Lets be respectful of the fact that these volunteers have gone out of their way to try and represent us and let's hear them out and let's please be organized.

Don Fawson - Let me just say this. You know, we have, spent a lot of time here and one of the things is this; we recognize the challenges that there are with this subdivision. There were things set in motion years ago that probably should not have been set in motion, but they were, and we're here at this point in time. What legal counsel is basically telling us right now is that there is potential liability for this company. Substantial Liability, financially, for this company. By having gone through all of these negotiations, trying to make it as clear as we can. As far as what we can do to be able to mitigate the circumstances that we are facing.

Michelle Peot - Can you share those circumstances with us, and the conditions with us, because like a lot of us have been asked to help extract this information. So, it's not just you guys that have volunteered for this. We've also put in a lot of work, and we feel like it's only fair for you to be transparent to list out those full lists of conditions.

Don Fawson - So what are you asking for?

Michelle Peot - Can you read the conditions that are in the will-serve letter, so we understand what you're voting on?

Don Fawson - Peter, what do you think? Where are we at?

Peter Gessel - That's at the board's prerogative.

Don Fawson - Basically what he's saying is, that he doesn't recommend it, however, we'll go ahead and go through this. One of the interesting things is that I think I have lived here in Town longer than anybody, but maybe Susan. We've raised our family here, we love this Town, we volunteered in this Town, from the Fire Department to The Water Company, to the City. We don't want anything negative happening in this Town. And we're also not trying to override the concerns that the shareholders have. One of the problems that we have in any kind of decision-making process is the fact that we have spent hours, and hours, going through this, both in public meetings and work sessions and individually, trying to figure out the best way to go, working with our attorneys and so forth. On the outside, it may appear that we just don't listen to anybody and we're not processing this in a positive way. That is just not the case. I will read through this, but you know, I'm not opening this up to a big discussion about this particular document because from our point of view it is a legal document. One of the problems we have right now is, our attorney has suggested that since this is something that hasn't been presented to Silver Point

Estates at this point that we can be creating problems.

Michelle Peot - Then can we wait another session so everybody can read through it?

Don Fawson - The problem is, is that we're in a position right now legally where it's going to cost the company a lot of money if we do.

Michelle Peot - So, you're putting the threat of a potential lawsuit against the health of the community. Which is not reasonable.

Don Fawson - Michelle, listen, OK, we're done with that right now. I'll read

Ralph Rohr - May I respectfully request that the lawyer hear my presentation to be fully informed of the situation. I'm only asking that he hear that you hear, before a decision is made.

Don Fawson - So tell me what you're asking.

Ralph Rohr - I'd like to make my very brief 4 slide presentation on the radiation hazards that exist out there for LDWA workers like Mark, other contractors, and workers who are out there, that's all I want to show and there will be nothing but factual, No opinions, No recriminations. No assumptions about what attorneys or anyone else.

Don Fawson - Ok Ralph, go ahead

Ralph Rohr - Thank you. I'm sorry I'm usually not this pushy, but

Cindy Neubauer - I have a question for the lawyer. Can I ask him a question?

Kurt Allen - Lets do one thing at a time.

Don Fawson - What's the question?

Cindy Neubauer - I feel like everybody's so afraid of this lawsuit that could happen. What about us shareholders suing the board because we feel you're putting our water in danger? Can we do that? Can we sue the board as shareholders?

Kurt Allen - I think that Ralph has the floor here.

Cindy Neubauer - This question is for the lawyer.

Don Fawson - We'll go ahead and have this discussion. But you're not driving this. So, go ahead, Ralph.

I. SHAREHOLDERS COMMENTS

DISCUSSION

SILVER POINT ESTATES PRESENTATION [RALPH ROHR]

Thank you very much to all of you on the board. Peter, Lawyer, let me know if you can't hear me or if you have any questions during this very brief presentation. It will take a little longer than usual because I speak very slowly. This is complex material and I want to be sure everyone understands it. I'm concerned about the workers with LDWA, and other workers, and residents of Silver Point Estates.

I represent a small group of caring people who have spent many hours, days of hours, and weeks and days, researching the situation at hand. In full revelation, we have no conflict of interest and nothing to gain by the facts that I'm going to present to you. These will be nothing but facts, there will be no assumptions, no legal precedents, or anything else in this except for simple facts that I think will help you and the attorney to make a decision. I have not had a chance to present this material before, and I hope also to present it to the town councils at an be appropriate time.

SLIDE SHOW PRESENTATION BEGINS ON NEXT PAGE

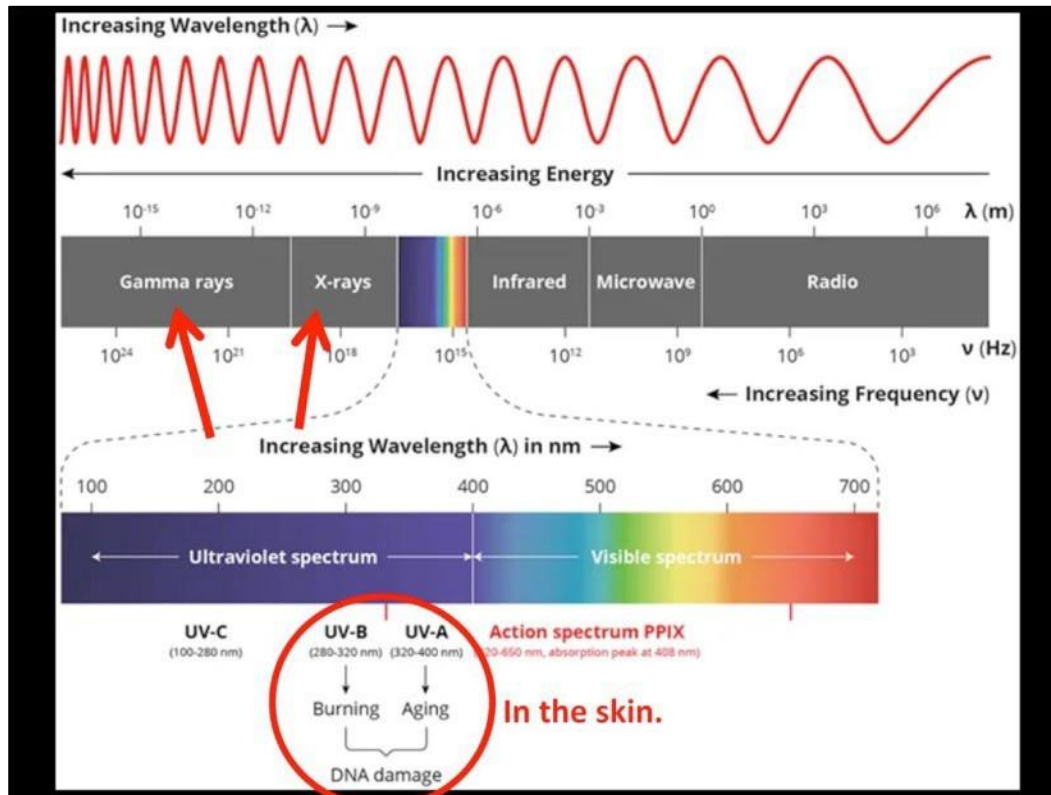
Radiation Hazard to LDWA workers, other workers and residents of Silver Pointe Estates

Leeds.half.life@gmail.com

PPT 1: I am speaking for a small group of caring people who have spent many hours, days, and weeks of days researching the facts that I will now very briefly present. In full revelation, we have no conflict of interest and nothing to gain by the facts we present. At the age of 80, I am certain that I personally will not be affected by any radiation hazard from SP development. But then I will not be digging up a uranium mine to install and maintain water pipes and tank.

Questions or helpful ideas? Here is our email address. Leeds.half.life@gmail.com

The following presentation deals with only facts, no presumptions or legal precedents or previous similar cases.



The Hard Science:

Visible light is only a very small part of the energetic electromagnetic spectrum that is left over from the fires of cosmic creation. That spectrum is exhibited here. Long wavelength light is invisible and provides many useful benefits as shown here. The visible portion of the spectrum is shown by the small band of colors. Beyond that band is the ultraviolet spectrum, mostly invisible, but more energetic than visible light because of its shorter wavelength.

We all know that UV light can burn, **the longer the exposure the more severe the burn**. It can also age the skin prematurely and damage the DNA of skin cells leading to skin cancers of various sorts. This is why many of us use sun block salves or cover up with clothing and hats when outdoors.

But what I want to focus on tonight is the even shorter wavelengths known as X-rays and Y-rays, sometimes referred to as nuclear radiation because they involve changes in the nuclei of the atoms. These shorter wavelengths with much higher energy can go right through human bodies and even penetrate solid rock. This is why hospitals have to install expensive shielding around radiation generators and isotopes they use in diagnostic testing and treatment. Like UV light the damage caused by these more energetic wavelengths gets worse the longer you are exposed to them. These X-rays and Y-rays, released from uranium and radium isotopes will be the focus of this presentation.

Radiation dose is cumulative. The long-term effects of ionizing radiation cannot be reversed or taken away. They just continue to pile up, dose upon dose. Radiation is silent and unseen without special detection equipment, like Geiger counters. The effects of radiation are modified by the intensity of the radioactive source, the distance from that source, the time of human exposure to the source, and shielding from that source.

RADIATION EFFECTS

Measurements in milliroentgens (mR)

RISK IS CUMULATIVE!!

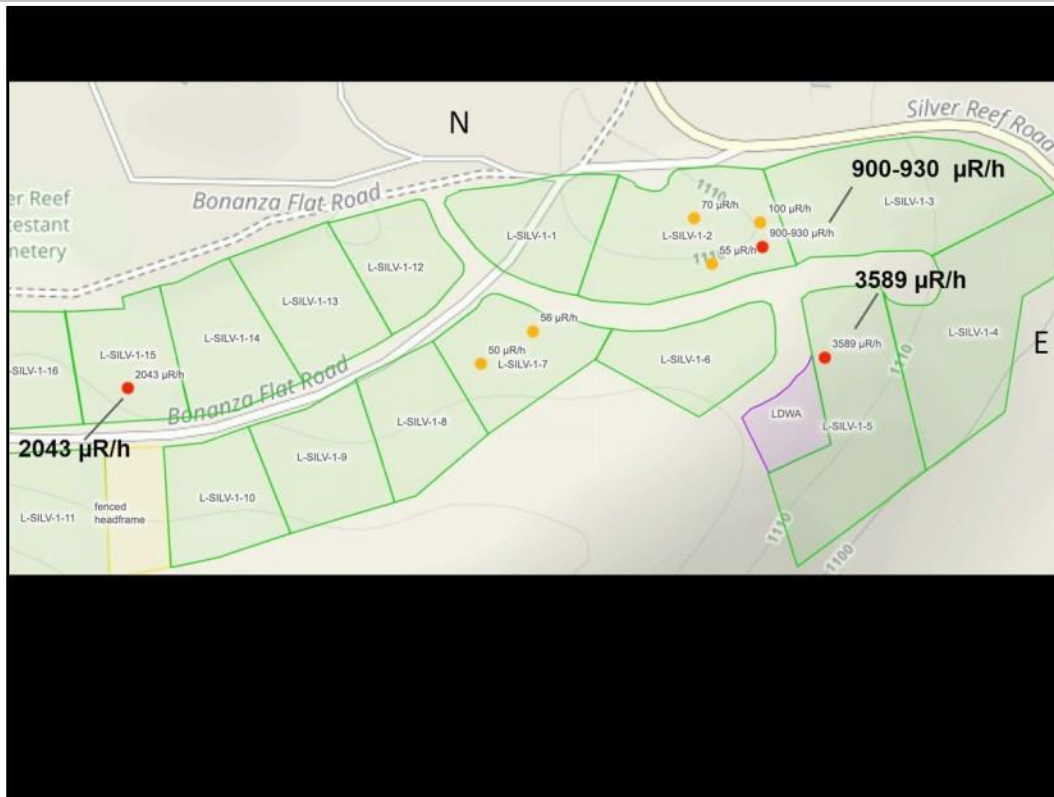
DOSE LEVEL	MILLIROENTGENS	CLINICAL RESULTS
HIGH RISK	1,071,850	Fatal within days
Potentially Fatal,	535,925	Kill half exposed persons in 30 days
Much higher cancer	214,370	Acute radiation sickness
MODERATE RISK	<u>107,185</u>	<u>5% higher chance of cancer</u>
Increased serious illness	42,874	Highest radiation at Fukushima
later in life	<u>10,718</u>	<u>Higher risk of cancer first noticeable</u>
TOLERABLE RISK	2,144	Yearly limit nuclear industry workers
No detectable symptoms	1,072	Full body CT scan
No increased risk cancer	965	Annual dose for airline crews
	322	Single mammogram
	11	Single chest X-ray

There are many terminologies and units in the field of nuclear radiation, units for exposure, absorbed dose, effective dose, etc. I will confine myself to a common unit detected by readily obtainable and simple to operate Geiger counters—the milli-roentgen, 1/1000th of a roentgen.

The risk to the human body is cumulative, it adds up over time, and does not go away. This slide illustrates the cumulative risk of damage by X & Y rays.

Every person's risk is different and depends on prior exposures totaled with current exposure.

Most sensitive are pregnant women and children, and their permissible so-called "safe" doses are lower than the rest of us.



This is a simplified plat of phase one of the SPE. Since the site “remediation,” over time various Washington County residents have used Geiger counters to evaluate the remediated area. A sampling of their measurements are shown here.

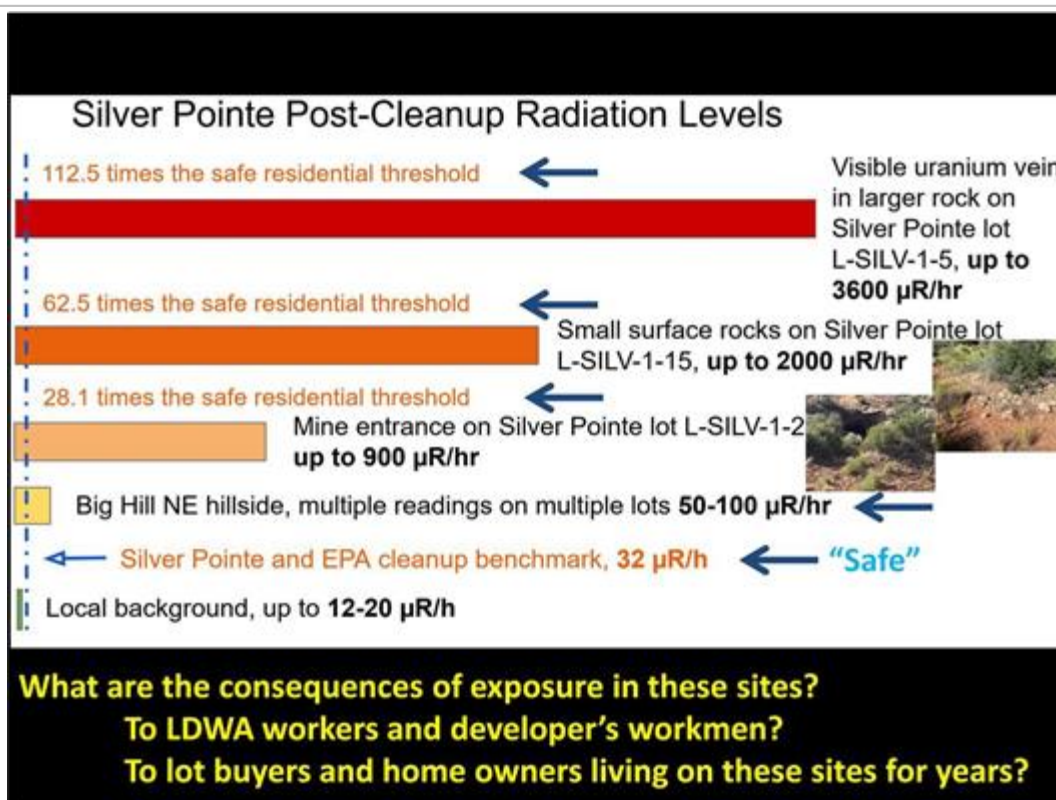
The orange dots represent Geiger readings over the site of **50-100 µR/hr**. The red dots are higher counts, which I will refer to in the next slide.

Review land marks: fenced large headframe, Protestant cemetery, mine entrance, small headframe.

Review counts at red dots.

Notice the location for the proposed LDWA water tank, which sits atop the uranium mine.

If these findings recorded by ordinary citizens seem questionable to anyone, let us ask the Utah state experts and regulators to visit the site and confirm or deny the findings.



The readings in milli-roentgens shown were accumulated in the last few years, apparently after the site cleanup was accomplished. If there is any question about the timing of readings and the supposed clean up, it will be easy to check with repeat readings taken today in the presence of any witnesses who wish to view the facts.

III 1 – The State Department of Environmental Quality together with the Developer established the permissible “safe” level of radiation for residential use after clean up as **32 µR/hr**. Notice that this is higher than the normal background radiation in our town.

III 2 – Multiple readings of **50-100 µR/hr** are **2-3 times** the clean-up benchmark

III 3 – The entrance to the open mine on the northeast side measured up to **900 µR/hr** is **28 times** the “safe” residential threshold.

III 4 – Surface rocks on one of the lower lots measured up to **2000 µR/hr**, **62 times** the “safe” benchmark.

III 5 – Visible uranium vein near where LDWA tank is to be placed measured up to **3600 µR/hr**, **112 times** the “safe” benchmark.

It seems clear that the clean-up benchmark for safety is not close to being achieved! This may account for the fact that in the entire lot of more than 1700 EPA clean-up sites, not one site has ever been approved for residential development. It is simply too difficult a task.

What are the consequences of exposure in these sites?

To LDWA workers and developer's workmen?

To lot buyers and homeowners and their children living on these sites for extended periods of time?

I know people are of differing views in this situation. But I think we can all agree that such situations involve grave decisions. **A gravitas that cannot, and should not, be casually excused or dismissed.** Not for this development and not for any subsequent development for which approval in the current situation might serve as “legal precedent” for others. The decisions made here tonight could have a ripple effect far beyond our local town!

1. For some of us human life and health are sacred, to be protected at all cost.
2. For others human life and health may be compromised because of some perceived threat of economic loss or hoped for economic gain.

In this imperfect world these decisions are up to people and their representatives. In tonight's vote we shall see what our representatives' views are. I would say it's a heavy thing for them and I don't want them to take it alone. I would agree that they should try and find out if the views they are holding and going to vote for are in accord with the views of the vast majority of shareholders of the company. That's all I'm asking. May God help them to make the right choice! and those are the facts best I am able to determine. Thank you, appreciate it. Any questions?

Don Fawson - Ralph I appreciate that and it's not that we haven't had these concerns. So, getting back to the issue of moral decision making as opposed to financial decision making. Basically, in a sense that is what we're facing today. The State has said it is safe. It said it meets those standards. So, the people that are supposed to be watching out and taking care of this are the ones that have said, no, this is fine and put us in a position where legally if we go ahead and say no, you're wrong State, then probably in court, we are going to be against the wall. So, I think that when we talk about a potential lawsuit that you need to understand that it's more than that. And you need to understand that our moral position is going to cost us. And I'm not saying that maybe that's not the way to go. But I'm saying as long as you're willing to bite the bullet and take care of the cost by rising water rates or whatever, as long as you are willing to do that. We just have to be willing to live with that.

Ralph Rohr - May I respond, you bring up a point which I understand, and I agree is valid, but it's not my suggestion that we tell the State you're wrong and we're right. My suggestion would be that we ask the State to come down and in the presence of witnesses and those who have researched this, measure in our presence, for themselves, the areas that are of concern, to see if what I have presented is indeed factual and correct. I don't wish to get into a pissing contest over who's right, who's wrong, I just want to see the facts established and brought out clearly and I think there is some question, as we have reviewed documents, whether the measurements were taken the right way, at the right place, at the right time. That's all I'm saying. We have something that is at variance with what the state developers are saying.

DISCUSSION

SHAREHOLDER COMMENTS CONTINUED

Michelle Peot - The remedial action report discloses very high amounts of residual radiation, so additional hot spots have been found, but their own documentation maps those out, and the problem with this is, instead of modifying the plat map so those did not coincide with the residential plots, they pushed forward to put those on there, not disclose that to buyers, not put up any hazard signage, and that puts everyone at risk. That is my issue with this.

Ralph Rohr - Could we just politely suggest to the State that they.

Don Fawson - Just a second

Bob Verbic - Let me say this, I think in Utah there have been past uranium mining sites that were approved for residential development. Of the five that were approved, maybe I'm wrong, none of them were cleanups that were voluntary clean ups. They were cleanups that were Federal. Does Leeds want to be the first town to take that step.

Michelle Peot - in the US.

Bob Verbic - To go forward with a voluntary cleanup result, not a Federal clean up result. I think that's a major difference. That's the big concern here. Do you want to be first.

Ralph Rohr - I think that is an appropriate question. Don all I'm asking is would you please contact the State, ask them to come down, good representatives and meet with us and allow us to show them the

findings of our people and then they can make a more informed decision. I would certainly invite our attorney to come out, on site and see what the Geiger counters are indicating.

Don Fawson - Yeah, I don't think there's any question

Kurt Allen - Excuse me Don, Ralph while you've got the mic there. Just for our information, where did you get your data for your presentation?

Ralph Rohr - Multiple people have given us results that they obtained, Washington County residents, at the last town council meeting when I spoke on this, there was a gentleman who lives in Washington, UT who's been out here many times taking measurements. So, we have gotten those from multiple persons, and I'd be happy to have the State confirm or deny them.

Kurt Allen - Do they represent government organizations or professional people?

Ralph Rohr - No, just ordinary citizens?

Kurt Allen - They're just citizens with a meter.

Ralph Rohr - Yeah, I've got one I measure around my house and in the background radiation I've got a radioactive rock that was picked up out in the desert somewhere and its way out back of my property.

Alan Cohn - Can I address the question over here? And I guess this would be for you Jared. Would you have a problem, let's say, adding something like that either just voluntary before receiving the will-serve letter or adding that as a requirement to the will-serve letter of just having someone from the State come in and walk around and let's just recertify since it's been 10 years since it's been certified, and you were poking around. Would that be a problem on your end?

Jared Westoff - So, I'm hearing the concerns, I live here, I'm very interested in raising my family here. We love it here and I think I could buy a nice house in Hawaii and Jenny wouldn't come; she loves it here. I like our agricultural lifestyle. We want to do this safe. We do, I mean.

Alan Cohn - That's why we are directing this to you.

Jared Westoff - I want to say that the property owner here, Mr. Crocker, entered a voluntary cleanup because he's concerned that it's done right and done safe, and I think that these concerns that Ralph is bringing up, I think this is the wrong meeting for it. These concerns should be going to the DEQ, and they should be addressed to the DEQ. It's an odd swerve to come to LDWA and say we want you to do the DEQ's job. So, if you got these concerns, if you're earnest in your concerns, I'd say get it with the DEQ and let's figure out whatever that process is.

Alan Cohn - You are a Shareholder too, so you can understand other shareholders concerns and I'm hearing levels from Ralph and seeing that slideshow I am just as concerned you know, especially if Mark or one of our folks is going to get out there and spend any time or Whatever. Would there be a problem with having someone come in and check it?

Jared Westoff - So, we have checked it, we've checked it a lot.

Alan Cohn - 10 Years ago or was it recent?

Jared Westoff - My point is, I don't want to dream up a process here, if there's a concern let's take the concern to the DEQ and figure out what that process is. But I'm not going to dream up a brand-new process on the fly.

Peter Gessel - Yeah, I want to say that I believe that we have provisions built into the Will-Serve Letter which will allow that adaptation to things that may be discovered as the situation develops in terms of compliance with the site management plan, inspections that are scheduled, testing that has to be done, and other provisions along those lines. I think that means that again, if the State comes down and finds something, looks at some of this evidence that concerns them about whether it's safe to install this water infrastructure there again, I believe the terms of the will-serve letter will allow us to account for that at that time. So, I'm not speaking to the validity or lack thereof of anything that's been presented or even whether there should be anything there. My purpose is solely to look at this from the perspective of the Association for its obligations, to both the shareholders and to those with whom it issues these preliminary will-serve letters in the process followed by the company. So, again, I don't want to speak too or against anything that's been presented other than to say we need to limit our evaluations to how these factors affect the water infrastructure which is proposed. And the safety of that water based on the reviews done to this point and the evidence which has been provided in that regard. We have again, we put those protections in place to the degree additional protections are needed, say for instance as Ralph speaks out for LDWA employees that may work on site that can be further addressed I believe in the process we have in place. Beyond that, I would say that frankly the remainder of those concerns are best addressed by the town in their development agreement and their approval process. That goes more to the broader human health and safety. Your obligation is to the quality of the water. And again, we have not been presented with evidence at this point that would suggest that what is in place and what is contemplated will be harmful in the water system and that if we discover evidence that there could be additional complications, we can account for that at that time and address that properly.

Kurt Allen - I would like to follow up on that comment from our attorney, I would like to remind this board that we are not a regulatory board, we are a water Board and our concern as I've said many times, is within our 3-feet to 4-foot-deep trench and our concerns don't exceed beyond that trench. And even though Ralph's presentation was amazing, he's a very smart man, he's got a lot of good information in that. Our concerns as the water Board, not being a regulatory board, does not extend beyond our water trench.

Ralph Rohr - I just want to respond to Jared and make him aware, and also Kurt in the process. My concern was not addressed to the quality of the water, my concerns addressed the hazards to the workers of LDWA namely Mark back here who is highly valued and others who go up there. Now if you go to an area committing 900 micro rankings per hour and you go up there digging the trench or putting in a tank for eight hours a day, for however many days it takes, the accumulated dose is going to be significant. Jared, I'm glad to hear you're resident here that you care about things here. As you know, after I was caught by Josh up there doing some readings of my own that the area was posted, one small sign, and "Trespassers Are Not Allowed" so, you can't go back up there now. If you would like to see what I'm seeing or what others have seen, please get permission, come up there with me and allow me to stand you at some of these sites and listen to the ticking Geiger counter and see if you really think things are remediated.

Michelle Peot - And see the uranium on the ground, it's visible on the ground.

Don Fawson - The challenge here, again I think Kurt brought it to light and the thing that we've been struggling with all along, is that we would like to be a Regulatory agency, but we are not. The question really comes down legally to the fact, can we safely deliver water up to that area and the answer based on our working with the State, with the DEQ and others, is yes, we can. Beyond that, then we kind of step

out of our wheelhouse and it goes back to what our attorney has said that's the purview of the town. Unfortunately, that responsibility has been kicked down the road to the water company. And I know that the town is trying to work through this right now as well. As far as that particular piece of ground, I wished it would just disappear, or all of a sudden, we wake up one day and it just be clean. You know, it just isn't going to happen, so we have to deal with what we have here. And again, I think that the decision that we make today, (addressed to Jared) if we go up to the DEQ to get them to come down, do we have time to do that.

Jared Westoff - What? What do you mean?

Don Fawson - Do we have time to go to the DEQ? Without entering into some litigation.

Jared Westoff - Your question is you want to ask more questions of the DEQ.

Don Fawson - I want more time.

Jared Westoff - So have there been quite a few conversations with the DEQ in the past?

Don Fawson - No there hasn't. Excuse me, I won't say that Doris, you had called up and asked if they could come down and take a look and what was the response.

Doris McNally - They've had some changes of personnel and they're moving it to different people. So, we have two new names, but it's difficult to get them to commit.

Jared Westoff - David Bird still there?

Doris McNally - I understand, He's one that's been giving us other names.

Peter Gesser - I'd like to point out that in terms of what we negotiated with the Silver Reef Investments that we did include, a site inspection by DEQ or someone else with the regulatory oversight of the site prior to initiating work on the water system, that is a term that we planned for.

Doris McNally - Peter, can you articulate what the "will-Serve" actually does versus you know a final go forward, because I think that it's important for everybody in the room to understand what "A Will-Serve" position is to this company.

Peter Gessel - Yeah. So, the Preliminary will-serve letter that was issued in 2010 would in effect be saying, hey, you know what we're here to play ball. That's not really the best terminology, but the idea is we're game, right. If you go through these steps that we've laid out, if you do those steps, then we'll be willing to provide water to your project. It might be a single home, it might be a whole subdivision, right? So that's what the preliminary will-serve letter is, and the reason those are sought out for the sake of receiving some assurances that then allow people to invest a bit more money into developing the project. It's not a guarantee of service, OK? It's not a guarantee. Again, there are requirements in there that have to be met in order for the will-serve letter to be issued. Now a Will-Serve Letter when it is issued by a water entity in this case LDWA, the association right the Will-Serve Letter says you've jumped through the requirements we've given you we will provide water to your development, and this is the process that we're going to use in which you're going to be allowed to do it. It also has requirements, it has construction requirements for what's in there, for the materials used, for the meters, and even the brands on some of these things. In this case, we also have a number of terms relating to compliance with the site management plan including like I said, site testing, a number of things along those lines. So, there are additional requirements there. One of the additional requirements we inserted due to the unique nature

of this project, is again, prior to initiating construction of the water infrastructure is a sight inspection completed by the appropriate Regulatory Agency showing that the site management plan is being complied with prior to construction beginning, right. So those are one of the things we said, OK, you can move forward, you did everything we asked, and this is how we're moving forward. That being said these are time limited things. The company has its practice, and the LDWA has its practice as is common to every situation that I am familiar with puts an expiration date, so it's for a term where construction needs to be initiated. So, this again, it's a commitment that allows it to move forward. That's what I'm recommending based on the 2010 Preliminary Will-Serve and what's happened since and where we are today.

Jared Westoff - I guess just to answer your question after thinking about it as your attorney was talking about it. Where we still have different inspections required as part of the will-serve letter and different things like that, I would like to see us move forward with the will-serve and know that we can follow those courses. And if there's inspections that fall out of place with the site management plan or the clean-up then we obviously will have to deal with that and we recognize that.

Don Fawson - OK. I'm going to go ahead and I'm going to read the provisions that are here. I'm not sure that's going to change anyone's mind, but at least hopefully it will let you know that we have tried to work with the Silver Reef Estates. Before I start, there was one gentleman back there with a comment.

Terry Bilvj - I can see the mine shaft from my house. This is not a prepared statement, but I heard something interesting. I am going to try to ty some things together that I heard. This state inspection how old is it? How old is that inspection? When did that happen?

Kurt Allen - 2013,

Terry Bilvj - 2013, a long time ago, right? A lot of things have happened since then. OK, so this is the partial question for Ralph. Someone on the board said they only need to worry about the trench. Ralph, can you hear me?

Ralph Rohr - Yes, I can.

Terry Bilvj - Uranium is not harmful unless you put it in your pocket, or if you put it under your bed. What is harmful is if you dig a trench and you disturb the uranium, the dust will Kill you. The dust gets picked up by the wind, it's blown around, ends up in your lungs. That is where you guys come in. You are disturbing the ground and I don't know if you know that or not. But Ralph am I wrong, Uranium, you can play with it, you can do whatever you want with it. There's a certain amount of time you can play with it, but not too long. But if you take some construction equipment and you roll it over that stuff that's laying out there, you create a dust. Where does that dust go? Guess what we're windy here, right? It goes to my house. Are you willing to provide us with those pads for the houses to absorb all of that? Are you willing to hand out masks?

Kurt Allen - I got a question for you. How long does it take to be poisoned?

Terry Bilvj - You know, lawyers know this. And I've been sued many times, many times, so if you come up with cancer. *'Oh, it's from smoking'*, *'Oh, you ate something'*. No, they're not going to blame it on the Dust you inhale from the mine. They will deny it. They'll say that didn't come from there, but we all know, and it did. Ralph, you're the expert on this, if you crush that rock and construction equipment will do that and you blow it in the air, you're going to get everybody who's going to get it, you're going to get it good.

Ralph Rohr - The ones who are working, crushing, stirring up the dust 8 hours a day for however many w

weeks it takes to accomplish this are at special risk because every hour that goes by keeps compounding.

Kurt Allen - So, you guys are very smart and experts at this, you might come back to my question, how long does it take to kill a person like that.

Shareholders - A number all talking at once.

Terry Bilyj - You know what? I just heard it, it doesn't matter. It's in the air, but here's the thing a lawyer will tell you. Oh, that didn't kill you, it was something else. But here you had mentioned it, you brought up that our little thing is, you know we're digging a trench that's all. OK, you just admitted it. You're digging the trench. You're taking up that ground, you're going to lift it up, the winds going to pick it up, and it's going to travel all over this community.

Kurt Allen - It happened 10 years ago. How many people have died since then?

Terry Bilyj - Exactly how many? Anybody? Do we have records?

Kurt Allen - Is there anybody who knows.

Don Fawson - OK, I am going to cut this discussion off, I appreciate that. We all know that alpha and beta particles breathed in are real serious problems and it obviously does things, let me do this.

Daryl Lewis - As part of that discussion. The comment was made that you are not a regulatory board, but you are a water board. If you were talking about Conservancy, you are correct because it is a public company. This is a private company. It's owned by all of these shareholders. That makes a huge difference. You are a board, a water board that is also a regulatory board. You are not elected; you were not elected to make up your own mind and do what you thought was right but rather represent the Association and the shareholders in total. We pay the bills as part of this company. And if this group of people were to say. *'We deem it morally correct to accept the threat of a legal suit'* I would suggest to you that the board is required to follow that suggestion. I don't recall any survey that had been put out to the shareholders as to how they view the situation under all of the known ingredients. A lot of these known ingredients the board knows, the shareholders do not know. You have had your private meetings, but that's back to your personal preferences and it does not necessarily reflect the wishes of the Association.

Don Fawson - Thank you Daryl, OK, let me just make a quick comment here. I have my personal views on this. I have my personal wishes on this. I also, on the other hand, have my concern as the President of this board and its **future**. One of the interesting things is that as we have talked to legal counsel and what not, one of the big things they worry about as a private shareholder's organization, is that we do not have governmental immunity, we do not. So, we are kind of hanging out there. In fact, maybe the suggestion that someone made is that we need to change the format of this company, that we either need to go to a service district or we need to actually become part of the town. I'm not suggesting that we do either of those. What I am suggesting to you is that there's a higher level of liability that we have. Like, I said I hear everything you're saying, and I don't like it, I don't like it one bit. Let me read this to you and I'm just going to get this out there. Darrell suggested that were not elected to make decisions, actually, from my point of view we are but that shouldn't be without consideration of peoples input and I've talked to a lot of people. Appreciate Ralph he had made a lot of comments and whatnot, Darrel. But ultimately, you know, what we could do is, and it becomes a lot easier, if we just say you make the decision because I don't have to deal with it. I can just go home and just say you go home and look in the mirror, you're the one that did this. Right now, it's like I have a target on my back. But let me just go ahead and read these to you. Like I said, I don't know if it's going to make any difference. I don't know whether the boards even

going to vote to do this or not, at which point it's, you know, it's a mute subject. *Owner, at own expense shall be required to construct and install all infrastructure, including but not limited to all lines designed and construction related facilities collectively and the waters infrastructure necessary for the delivery of water through the subdivision. The water infrastructure shall be constructed in accordance with and according to LDWA standards and specifications, including provisions of this letter.*

Prior to the initiation of construction of water infrastructure, a punch list will be provided to the company, which is us, by the owner, which is Silver Point, which calls out and delineates the expectations, testing plans and protocols, dust mitigation plans and protocols, engineering requirements, and other construction requirements set forth in the site management plan. The Site Management Plan or SMP refers to that certain document entitled Site Management Plan, Silver Point Estates, Phase One Investigation Area, Silver Reef Investment Holdings, LLC, Salt Lake City, March 2/12/2020. Prepared by Richard D. White, a copy of which is in possession of both LDWA and the owner. If the Site management plan is updated or amended, owner shall provide a copy of the revised plan to the company as soon as it is practical, and the revised plan shall then become the Site management plan with which owner must comply and satisfy the terms of this. Prior to the initiation of construction of water infrastructure, a site inspection by the Department of Environmental Quality, Environmental Protection Agency, or other agency with regulatory oversight of the project must be arranged by the owner to assure current compliance with the site management plan. A copy of the site inspection report shall be provided to the company, which is kind of what Ralph was talking about. Prior to the initiation of construction of water infrastructure oversight, inspection of the construction will be assigned or contracted to a qualified third-party inspector, the inspector selected by the company, by LDWA. The inspector shall be paid by the company with the owner reimbursing the company for all costs incurred in retaining the inspector. This is to make sure that we are in charge of the inspector. The Inspector will be on site during all phases of construction of the water infrastructure and shall be vested with the authority to shut down construction for any deviation from the site management plan or violation of any Federal, State, or Local statutes, laws, road rules, regulations, ordinances, standards, permits, or other requirements. The Inspector shall be familiar with, qualified to use and in possession of certified and required testing equipment specified in the site management Plan. So, there are specified testing equipment that they have to use, some x-ray equipment and other things. All water piping will be of such material. Otherwise shielded to be protected from degradation by all naturally occurring radiation within the subdivision. HDPE is not acceptable as it is affected by chlorine. The piping materials and or shielding will be chosen, and the water infrastructure design finalized after consultation with experts and the LDWA Engineering group, with LDWA making the final decision relative to suitability and design. All lots will have a one-inch RP or Reduced Pressure Principle Backflow Prevention Assembly installed within six feet of the LDWA meter.

Peter Gessel - I think the rest of the list there is just the technical, diameter lines, brand of the meters. I mean, you're welcome to read it.

Don Fawson - You want to hear it?

Shareholders - (Speaking at once) No

Peter Gessel - Those are the protections, the list that you have read.

Brant Jones - I kind of lead off with this concept of you going to the Washington County Conservancy District and getting water there, right? And we drop all this, we all go home. And then this meeting changes to a town meeting. Because now it's in the Washington County Conservancy District hands. All of this work, and all of our say, all of your homework that's gone into this document, we throw it away and we cross our fingers that Washington County Water Conservancy District honors anything that we say which I'm not sure that they will. And so, when it goes to that point, maybe it's not Mark, but it's going to be somebody else. There's going to be other people that are involved in it, there will be other people

digging trenches. The only difference is number one, we have no communication and our ability to work with them and trying to help make this be as safe as possible. And immediately we start spending shareholders and I'm one and you're one, shareholders money in legal fees, money that could be spent in maintaining the water system, making sure that the pipes actually get water to your homes, making sure there's enough volume of water to your homes. Peters already stated that in 2010 there was a Preliminary Will-Serve Letter that set the precedence for what's going to go on. So, this immediately starts spending our money, that we could be using to provide and protect your water shares and your water delivery system to litigation. If we will move forward with this, Will-Serve Letter, we continue to work with them. You still go to the Town Meeting, you still have a say in all the things that the town does, and you can still have your say in every aspect of this, but we just don't spend a whole bunch of our money where it shouldn't be spent in my opinion.

Lynn Potter - What's the total cost to buy them out? How much is it going to cost in the lawsuit that would come if the vote was made at a NO? I'm sure he knows. I'm sure the lawyer has an estimate.

Kurt Allen - If you have a comment, you need to come up and state your name for the record. you got a good point, and your comment is very important in this conversation, and we need to make sure that your name is on the record.

Ralph Rohr - I appreciate your comments Mr. Brant, I really do, and I agree with you. However, the more basic point and I think I'm just going to have to say it, I was hoping not to have to say it. But the more basic point is that the remediation claims to be accomplished on the site, indeed has not. If you go out and look you will see that there are valleys filled with radioactive rocks and there is no covering over any of them. I'm sorry, it's just not there. It's so and it's just not a comment. And the measurements are way higher than their established 32 Micro Rankings Per hour. So what I'm saying and I hate to have to say this because I don't like confrontations, but as far as I can see Mr. Lawyer, The Silver Reef Estates Group at this point is in violation of their agreement to remediate the site according to the State standards, according to what I can see has been measured since they supposedly remediated and you will not find any dirt covering these radioactive rocks out there, sorry.

Michelle Peot - I wanted to say something. In regard to something that the lawyer pointed out in the 2010 Interim will-serve letter, he stated it is not a guarantee to serve water and I also wanted to say that it was based on the best information available at that time, so the remediation report for the, you know, what came of the cleanup, where they actually found it was more contaminated than they expected, didn't come out until 2016. So, to base a decision on an Interim will-serve letter from 2010, we're missing all of that additional information. And furthermore, to say that the State said oh the No Further Action Letter stated that it was fine to run water lines through it. Again I had contact with David Bird and he said we are going to remediate as we go and when I pointed out how much remaining radiation existed, and furthermore in the No further action letter they state in there that as a condition of residential development there, that residents should have no contact with groundwater, so no touching it, no growing vegetable gardens out there, does that give you confidence that you should be running water lines through to their residents on the properties?

Brant Jones - We will have a little more control if something isn't working.

Nancy Baldwin - May I state something? Working for a Board in New Mexico, I was their office manager and went to all their meetings and so forth. I think the situation is real. But you just run the water. This is something I feel that should be a town decision. I mean, it should be the town, there's going to be gas lines going out there, electric lines, Wi-Fi, there is a lot more involved here than just the water. I mean it's very important and you have to have water, but you do the lines, and you will understand. I know that we had miles and miles of lines in La Plata NM that whatever the developer puts in, you inherit, and you will

have to maintain those lines. Your guy will, and I mean, it's all part of what we pay for, for the maintenance, but I do feel that it is a town, it's much bigger than just the water. And it puts you in a very difficult situation and my heart goes out to you because you are volunteer, and I understand you put in a lot of time. And there is a concern with the radiation. Was it a Superfund site in 2010? Was it a superfund?

Michelle Peot - It is on the Superfund registry in the queue. It did not get federal money for it.

Nancy Baldwin - It didn't, OK, and that's my concern my husband's a mining engineer.

Michelle Peot - It's a high Priority on Superfund registry.

Nancy Baldwin - Well, I think it's a concern, but I realize your situation and you're just the water, there's going to be, I think more remediation going on with gas lines which are much deeper also and I'm sure it'll be underground. Is it underground Power. Yeah, so there's a lot more dirt going on here than your water line. Anyway, I appreciate the wonderful water we have, it is beautiful. It tastes good and it's clean and we appreciate it. So, my heart goes out to you in that regard. It's just almost a no win for you tonight, I think.

Don Fawson - Thank you.

Nancy Baldwin - I thought you might need a cheerleader a little bit.

Elliot Sheltman - You guys know me. I was president of the company for 10 years and starting in 2010, I know a little bit about this development. I was also on Town Council and planning to deal with this development. I think I got threatened to get sued about 10 times, not just the company I work for or the council, but also just me. Because we asked hard questions, we were looking at the development that from the very beginning was suspect, and by suspect, I mean that proper protocol wasn't followed, Town law wasn't followed. I brought some of that up when I was here last, where the mayor of the Town of Leeds overrode the Chapter 21 of the ordinances stating that LDWA would have a signature line before that First Phase was recorded at the county. That was done illegally behind the back of the Town Council which I was part of, and also the LDWA of which I was president. So, I know you're in a tough position, I've been there before. Things like this are especially a lot of fun. But people are here because they're concerned. I want to talk about the 2010 Will-Serve Letter, it's not, it never was. Our president at the time, who doesn't live here anymore, was an attorney and he wrote up a document, with requirements, none of which were met because within a month, month and a half, he gave a document to Mr. Sant, the developer, that basically was being waved around from that point as a Will-Serve Letter (Note: It was a Preliminary Will Serve Letter). It was not. I'm sorry, Peter, our attorney, Peter?

Kurt Allen - Yes.

Elliot Sheltman - David Hartvigson, who I know retired about a month before I did. He was our lawyer for 10 years and knows this development very well and our concerns as the water company at the time. Basically, he could give you a lot of information on this if you're still in contact with him, he is still on the letterhead so I'm guessing he is. He knows about that document and also, I know there's some concern or some confusion about the document that I filed against the development because they did violate town law. David Hartvigson's advice to us and voted by the board, unanimously for me to go down and file against the title of that property which is still in place. Umm. The water tank, is there going to be a water tank there?

Don Fawson - No

Elliot Sheltman - That was required. It's 150,000-gallon tank. If you look at the capacity analysis, it was done when I was still president basically even with 120,000-gallon tank at Eldorado which is no longer in play for whatever reason, we were low on storage. So, if they put that development in, we required 150,000-gallon tank.

Don Fawson - Based on, our recent engineering studies, that's not accurate. We actually have more than enough storage.

Elliot Sheltman - You don't, based on my capacity analysis, if you look up the one that Carl did.

Don Fawson - That's fine, based on our engineering

Elliot Sheltman - Is there a reason you wouldn't want to add that to the development? Since there is no cost to you.

Don Fawson - Because it's in a bad place, it will not feed that subdivision. Based on

Elliot Sheltman - It's not really a subdivision. It is my understanding that some of the Board members were not even aware it was part of the deal? Is that correct?

Don Fawson - I don't know what you're talking about. So, we thought that was part of the subdivision.

Elliot Sheltman - It is, it was mandatory for the first phase.

Don Fawson - My point is it will not work.

Elliot Sheltman - It wasn't made to serve them; it was made to serve downtown because they're taking water from our tanks up there. It's Federal land. They were in a hurry, and we heard repeatedly we're going to start in three weeks, or three months, six months never happened, but that's what we heard. We didn't have time to go to the Federal government because as you know, BLM and the Forestry would require years to do that. So, that's why you're supposed to put it in there for the water they're supposing going to take from up in the area where we have our tanks.

Don Fawson - Ok, good information.

Elliot Sheltman - But that area also needs to be tested because again because it was filed illegally, we never approved that location; it was just a guess based on height, and it's supposed to be buried about 18 feet?

Don Fawson - 18 Feet?

Elliot Sheltman - That's what you figure with a 150,000 gallon tank, yeah.

Don Fawson - OK. Appreciate that information. All right, I think that we've kind of pounded this into the ground here, so. I guess I'm asking the board as to what they want to do.

Brant Jones - Did you want to make a comment on that 2010 document?

Don Fawson - When I looked at those documents, there was a 2010 and there was a 2015. The 2010 as I read it was not a Will-Serve Letter. The 2015 was not a Will-Serve. There actually had never been a specific Will-Serve Letter that was given, however there was intent that was written into that. So, I guess that's a legal thing that will have to be sorted out. (Note: As Peter mentioned these were Preliminary Will-Serve Letters. If you do such and such, we will grant a Will-Serve Letter.)

Brant Jones - Does Peter want to comment on the Will Serve?

Don Fawson - Peter do you want to comment on these Letters?

Peter Gessel - Do you want me to comment on this November 4th, 2010 letter?

Don Fawson - Yeah, would you?

Peter Gessel - OK, there were two versions of it that went out. One was on Ben's personal lawyer letterhead. The other one was on the LDWA letterhead. (Note: Ben Gordon was President of LDWA at the time and had a local Law Practice) It's regarding water service from LDWA addressed to Rick Sants, Silver Reef Investment Holdings. And it binds an exchange, that says:

Pursuant to the Water Rights Agreement, you will convey 105.08-acre feet of water rights to LDWA, which will entitle Silver Reef Investment Holdings, LLC to a total of 105 connections to be used in the Silver Pointe Estates Subdivision, as the plats for its various phases are recorded in the office of the Recorder for Washington County. This commitment to provide 105 connections is specific to Silver Reef Investment Holdings, LLC, and is not transferable. Silver Reef Investment Holdings, LLC will be responsible for constructing all necessary water system infrastructure for each phase of the subdivision, including without limitation, mains, laterals, storage facilities, valves, pressure reducing valves, and any other water system infrastructure to serve the homes within that subdivision.

Be advised that LDWA will not issue a formal "will serve" letter until LDWA has reviewed and approved your proposed water system infrastructure plans. Further, all water system infrastructure constructed must be inspected and approved by LDWA prior to connecting it to LDWA's system and must thereafter be conveyed to LDWA. Any engineering or other professional fees incurred as part of this review, inspection, and approval process will be borne by Silver Reef Investment Holdings, LLC.

And it goes on from there talking about the connection process and the previous speaker was correct about there being a mess up on the Plat map, 100%. At the same time, again, you've heard my opinion as to what effects that has in terms of the remaining commitments made in this letter, call it what you will. You've heard the terms and I'll just leave it at that.

Don Fawson - OK, so from your opinion, it was in fact, that it was a Will-Serve, whether it said it was a Will-Serve or not. (Note: It stipulated conditions for the issuance of an Official Will-Serve Letter)

Peter Gessel - Call it what you will. A representation was made.

Don Fawson - OK? thank you. All right.

Doris McNally - So Jared once again, I just want to go back and reiterate what Brant brought up. The potential of going back and having a conversation about. Clearly, this process is painful for all of us and if we were to come to a situation where the water rights would go back. Are you in a position to, or should you go back and talk to people, just to give some time to have a conversation about that?

Jared Westoff - So, we've been at this for years, long, long before I ever got involved and we want a Will-Serve. We are done, this has been going on for years and we know that it hasn't been this Board. It's been maybe a prior board or President, or whatever but we have complied, we want a Will-Serve Letter. We're happy to go into discussions, we're happy to follow the terms of the Will-Serve Letter. It's not we just do whatever we want, it's got a Site Management Plan, it's got all kinds of stuff that we have to follow. But as far as that discussion idea I'm happy to look at it, but I don't want to be held up on the Will-Serve Letter any longer and I don't have authority or permission to say that I can wait.

Alan Cohn - Can I ask you one more question? This is kind of going back to that question I asked you about, so it's already highlighted in the will-serve letter that you're going to have before you do anything the DEQ person come down and check things out. Is it possible, and I'm just saying let's call it a good faith gesture, to have the DEQ come in beforehand. I'm just throwing this out there.

Jared Westoff - My answer to that would be, we have spent over 7 figures cleaning up that property.

Alan Cohn - But you're going to have the DEQ come in again because of the Will-Serve Letter.

Jared Westoff - So let it happen under an appropriate and normal procedure. We are done with this jumping all over the place and things change, just let it happen under a normal procedure.

Don Fawson - Ok, at this point, again, I am not trying to decide for the Board what the Board wants to do. They are going to have to make this decision. As far as this group, this is a good representation of the members of our community, but it is not a total representation. And I think as Daryl mentioned there was nothing sent out by the Board, that asked 'How do you feel about this issue' based upon maybe a few volumes of information we provided? Where are you at morally and financially on this thing? That's true, we did not. So, we are facing a financial challenge right now and so I'm just going to ask the Board one more time and then and we'll just end it one way or the other.

Michelle Peot - And can we ask Elliot, for one piece of data because he mentioned as the prior president of LDWA there was multiple threats of a lawsuit. Elliot, can you share how many times that actually occurred? How many times did you actually get sued by this development?

Elliot Shelton - Yeah, zero. And maybe there's even some people in this room that wrote those letters for other issues. You know, you talk about lawyer and it's a good point, you must spend a lot of money on lawyers. But you know what, it's overhead for a business. I treated the water company, and the board treated the water company like we do. Those of us who have businesses, it's overhead. You have to spend money on attorneys at the beginning, so you don't have to spend it at the end. It's always a lot cheaper to use an attorney to set up everything, which is what we did with this development, if you look at the meeting minutes, we didn't leave anything open. You're saying the state basically approved it. The State doesn't really approve it. What the state says we've done everything that we're supposed to do, and I have the letters from David Bird, the DEQ, the DEW, you name it, whatever groups were getting involved in it because there were several. But David Berg, he said pretty much, you know, this has never been done in the history of the state of Utah. No one has ever done this, ever. And we're not just talking about radioactive material, we're talking about mercury which they pulled a ton out of the ground. So, basically the State tells you is it's your problem that's what they told us, you must have this, I have like this much in stuff that I generated as a board member and in there it states from the State it's your problem, it's up to you to do due diligence. You must have seen that; they drop it in your lap. Well, due diligence is looking at stuff and basically, you know, the radioactive part is just part of it. Who's going to bond this thing? Is somebody going to bond it? I've lived here 20 years. We've had two developments; Silver Highlands and we've had Boulder Way. Boulder Way was 14 homes; I think Highlands is what 26 something like that and

they both came in within a couple years. Boulder way the guys came in and said we don't have the money, we're not going to pay the bills, the economy is against us and we're just going to walk away. So, we know you're going to repossess 14 water shares so go ahead and we did. So, it sat there for years, it's slowly building up. Highlands, we took half of those. So, what we said you're not talking about the sewer plants. There's nothing in there about sewer plants or pods or whatever they are going to use. We talked about it a lot amongst ourselves and with the attorney and it's like, who's going to pay for this? If you get one homeowner or two, or like Highlands, you get three and two of them go into foreclosure, and there's one home who's going to pay all the fees? Because we said we're a water company, we will take care of the sewer because Ash Creeks never done it before, they have never done it on a system like this. And we said well then, we may as well do it. Of course, I had people lined up for that and I don't know if they've been kept in play, probably not. Derek Hall being one of those and an engineer who was certified and has crews and machinery. We're going to use him for some of this too, but. If you're going to do this, you have to look at that because you need a development to be a success, not at the beginning. For at least 7- 8 years they sat there dormant. You're still going to have responsibilities and who knows, you're going to do extra soil testing. Are you going to go out and do extra water test every month that you're not doing now? I would for Radioactive material, for mercury, for whatever, maybe you have to do it every two weeks to be on top of it. But the point is you're going to have to do something that you're not doing before and somebody's going to have to pay for. Are you going to pay for it or is the developer going to pay for it? And it needs to be identified in this piece of paper, you got, before you do it.

Michelle Peot - because they're pushing it to the HOA for an ongoing oversight.

Elliot Sheltman - If your HOA is one homeowner, you're not going to be able to get the money out of them.

Kurt Allen - OK, one more thing. Everybody knows my position on this board being a regulatory board. I will always defend this board. I've enjoyed working with this board and this board has been a very attentive board to the detail of this subdivision. We have done our due diligence. This property owner has rights. The rights of this property owner have been tried to be taken away from him for nearly 20 years in this development. Property owners have rights, and I will vote that way every time, I will have the discussion that way every time, and if a property owners rights are being taken away from them, I'm against it and that's why I've been accused of being part of this development, because it appears that I'm in too much favor of it. I'm in favor of giving a property owner his rights. And that's why I'm voting for this development to go through, and that's why I have made this motion to accept this will-serve letter. Because the will-serve letter protects this association, and I don't believe that this association is capable of meeting the financial obligation that's going to come from pressing this into a litigation. This board is looking out for your financial responsibility of the shareholders and we're doing everything we can. And we have done due diligence to do so.

Don Fawson - OK, I think we've had enough discussion at this point. We have a motion and is there a second to that motion. Are there any other motions that want to be presented at this time? What do you want to do?

Alan Cohn - I will make a motion and again I'm going to roll this out there one more time that we in lieu or until we can get a DEQ person to come down as is requested in the will-serve, to have them come down check everything. I think that's going to put a lot of people at ease so then we're not ***** town. It's something that would have been done and would have been paid for by SRIH anyway. I'm just throwing this out there as an option.

Don Fawson - Is there a second to that motion?

Kurt Allen - Don, Roberts Rules of Orders requires one motion to be either tabled or denied before another motion is made.

Don Fawson - It failed because you didn't get a Second, and I think that we had enough time for that. So, the motion is on the table right now.

Peter Gessel - The kind of simplified version of the Roberts Rules of Order, this would be a substitute motion. That action would be taken on before the underlying motion.

Don Fawson - So, I'm sorry, say that again.

Alan Cohn - So you're saying the one I put forward.

Peter Gessel - it's a substitute motion, so it's a substitute motion that's before you to table it. The first motion was not defeated. This is just a substitute motion on top of the underlying motion which was to approve it.

Don Fawson - OK. So, we can go ahead with the underlying motion.

Peter Gessel - Well, the substitute motion is to table it, is that correct?

Don Fawson - Yes.

Peter Gessel - Is there a second?

Don Fawson - Is there a second to table it?

Shareholder - Wasn't there a condition outlined.

Alan Cohn - Well, I guess to rephrase that to table, the will-serve in anticipation, hopefully, of getting a DEQ person down to recheck the area. Is that acceptable Peter or is that to be separate or?

Peter Gessel - That would be an explanation on the motion.

Don Fawson - Do we need to have a second to that motion?

Peter Gessel - I would say yes.

Don Fawson - OK, is there a second to that motion. OK, where do we go from here? I don't know what you guys are going to do. Where do we go from here? If we have a motion on the table and there's no second, then what do we do?

Peter Gessel - And you've got two motions and you've got no second on either of them, so.

Don Fawson - right? I thought that after a period of time that if a motion was not seconded that it failed.

Peter Gessel - To be honest with you I've mostly worked with the legislature and to be candid with you they don't second so. Let me get you an answer. Talk amongst yourselves,

Kurt Allen - Alan Roberts could you give us any input on that? You've served on the Council and Planning Commission for a long time.

Alan Roberts - If there's a motion on the table and it does not receive a second, the motion fails because of a lack of a second. Yes, I am Roberts Rules, nobody listens to my rules. If anybody would listen to my rules, we'd be a little more cautious about where we're going with this because this water company is trying to be a land use authority and the members of this water company are encroaching upon what they really have the ability to do because they're not a land use authority. They have full rights to deal with their water company and any infrastructure that goes with it. That is the rights of this water company. It's slightly protected as a quasi-entity under Leeds, and I know that because that's how this water company got the funding they got through the State because they are a quasi. But they are still a private water company. They're not a land use authority.

Brant Jones - So, what's your recommendation?

Alan Roberts - My recommendation? The board members have two options. If you're not going to vote on this. Actually, there's more than two options, but I can throw a couple of things out there. First thing is why did the water company accept wet water from somebody if they didn't have the intention of potentially serving whoever that may be, they went over. So, you have an option to hey, here's your water back we want nothing to do with you. But I would also put this out to the members that are here and it is not a fair analysis of all stockholders for LDWA of what sits in this room right now. There are individuals who have spent a great deal of time bringing things to the association, whether it's board members, whether it's Shareholders. If individuals and I speak as a shareholder, if other individuals, other shareholders are willing to fund the legal ramifications of this, don't do anything with it at all. As far as this specific will-serve, that's being asked of you. Don't do anything with it at all let her go. The people that are loud enough here, I expect them to raise their hand and say, I'm in financially, I'm willing to see this one through and I'm willing to foot the cost financially for what the legal ramifications will be. Cuz, this is real. Elliot can say all he wants to about previous lawsuits and there's a number of people that have been presented with potential suits. This one here depends on how much of a gamble you're willing to risk. But as a shareholder, don't be putting me financially in a bind because of this because I won't pay for it.

Don Fawson - Did you find anything, Peter?

Peter Gessel - Yeah, you have two motions with no second so both of those motions fail. So, we had a motion to issue the will-serve letter, that failed. We have a motion to table the letter, that failed. So, it's up to you what to decide to do next. You can move to the next agenda item. You could adjourn the meeting. If you wish, the board can go into executive session, step outside of the room with the shareholders and the guests and we can consult together on this vote, that's also an option.

Kurt Allen - Prior to doing that, I'd like to make a new motion. And in order to protect the shareholders of this association from the potential financial disaster that's facing them at this time. I would like to make a motion to accept this will-serve letter to avoid a financial disaster in this association.

Shareholders - (Many speaking at once) That's the same motion. What are you doing?

Susan Savage - My understanding from what Peter said and from your reading of, the will-serve letter as it is. Is that the inspection, the evaluation that people are asking for is built into that is ongoing. I'm not in favor of turning things over to a bigger association because they get lost. Brant was right about that. And then I just want to say when people say let's let us be sued. You're assuming that you're going to win. You

can spend a lot of money on something and you don't know if your going t win. You may not prevail at all

Michelle Peot - You're also assuming you're going to get sued.

Jared Westoff - I know, I am speaking for myself, and I will extend that to the development. We don't want a will-serve letter because there is legal liability. We want the will-serve letter because we've complied with the rules, regulations, and policies of LDWA. And that we have from our side, we've spent millions of dollars to make sure we could clean the property up. We have a Will-Serve Letter in place that has a process, the Site Management Plan, to continue to ensure that is happening. The DEQ coming down, that's the appropriate place to address most of the concerns we've heard tonight, and you ask about good faith, Alan, we've spent a fortune, and we've been patient, and we've been tolerant, and we have worked through different concerns, and we don't want a Will-Serve Letter because of the threat of lawsuit. We want the Will-Serve Letter because we have done what we are required to do by your policy to get a Will- Serve Letter. That said, we have drawn a line in the sand, and I will say the complaint is drafted and will be filing because we're done with what is going on, with what happened with the prior Board, and we're ready to move forward. We are filing it Friday.

DISCUSSION

FINAL MOTON ON SILVER POINT ESTATES

Kurt Allen - I modify my motion to take the financial obligation and fear out of that motion and I modify that motion to be said that the responsibilities and all of the requirements have been met by this property owner and this developer that the board has asked, and I make the motion we accept this will-serve letter because all of the requirements have been met by the developer.

Don Fawson - I want all of you to know, the reason that I'm not making any seconds or motion is because that's out of my purview. That is not something that the President has the right to do, that lies with the other board members, I can't.

Ralph Rohr - We would like confirmation that what you just said is true. We would like confirmation that what Jared has said is true, that the requirements have been met. We do not believe they have been met. We contest that, and we would like confirmation from appropriate authorities that it has been met.

Shareholder - It's up there, it's obvious it has to be proved that it was not met, and it hasn't been met and it's a danger to everybody in this town.

Don Fawson - We are not disagreeing with any of this, the issue on whether obligations have been met. It is in legal terms, it is not in, you know, moral terms or in terms of what we think ought to happen up there because, I have a different opinion of that other than what's legally there. So, there is a good chance, at least from people we've been talking to, that we're going to wind up not prevailing in this. And then we're going to be back here, but we're going to be less financially along. So, basically that Begins tonight. So,

Kurt Allen - There's a motion on the table.

Don Fawson - The motion is on the table one last time. Any seconds over here.

Brant Jones - So it was my intent to vote for this in coming in here. I did not want to do the second. That is how conflicted I am on this. I do not like any of it. I do not like sitting here because of what has gone on prior to me coming here. You need to go to Town meetings and bring everything else that

doesn't have to do with water up and deal with it. This is going to give us the opportunity to continue to work, to keep us safe, and protect our money that provides the water system, and the clean water that gets to your home. So, I must second this.

Don Fawson - It's been moved and seconded. Any further discussion among the board? Ok, we'll start over here with Alan.

Alan Cohn - I'm going to have to vote nay, I offered a like I said, hopefully was going to be maybe a middle ground. So, I'm going to have to vote no.

Brant Jones - Right. I think we were just told we don't have more than Friday and we've already spent money on Peter tonight, so I have to vote Yes.

Don Fawson - Yes

Kurt Allen - Yes

Doris McNally - Given the history of Agreements between the LDWA, Silver Pointe Estates & the Town ... From the Development Agreement, signed by then Leeds Town Mayor Trudy Law in Oct 2008. To the Water Rights Agreement, signed by Rick Sant (SPE) and Ron Cundick (then President LDWA) in Aug 2010. The "Water Service" as outlined by Peter earlier written by Ben Gordon (then President LDWA) in Nov 2010. And a second Water Rights Agreement, signed by Rick Sant (SPE) and Elliott Sheltnan (then President LDWA) in Dec 2015. Then the Plat signed by then Mayor Wayne Peterson in June 2016. There are a number of historic "legal" obligations between all the parties. The current Board has spent a lot of time understanding these obligations, specifically the ones relevant to the LDWA, and have worked with Silver Pointe to draft an updated will-serve that not only incorporates many of the obligations from the previous agreements but offer more detail and relevant measuring & monitoring requirements.

As Brant said earlier, we are in a better position given the punch list requirement set forth in the new drafted will-serve, than if another entity were to come in, without the same interest, to offer service. It's unfortunate that we are where we are. But as a Board Member I feel it's important to understand all the issues and to make decisions that will protect not only the quality and volume of water available to our shareholders but also protect the water company's financial health. And avoid costly litigation with no guarantee that we will prevail. So, with that I'm going to have to say yes.

Don Fawson - OK, the motion passes, the will-serve letter will be sent. I just want to say this, this has not been something that has brought a lot of sleep filled nights for any of us. And I appreciate everything that's been said tonight. I apologize for my emotion at times. But I do appreciate everything that you do, and our plan is to try to make this as safe as we possibly can. I hope you will go to the town board meetings and express your concerns. The will serve letter contains 20 provisions that will be required to address prior to final approval. We will attach them to these minutes.

VOTE	THE RESPONSIBILITIES AND ALL OF THE REQUIREMENTS HAVE BEEN MET BY THIS PROPERTY OWNER AND THIS DEVELOPER THAT THE BOARD HAS ASKED, AND I MAKE THE MOTION WE ACCEPT THIS WILL-SERVE LETTER BECAUSE ALL OF THE REQUIREMENTS HAVE BEEN MET BY THE DEVELOPER: Kurt Allen SECOND: Brant Jones MOTION APPROVED: 4 Yea / 1 Nay
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Cindy Neubauer - They already said they can't do anything.

Michelle Peot - Will you all be coming to the next Town Meeting?

Don Fawson - When is that?

Michelle Peot - This next Wednesday night.

Don Fawson - Yes

Shareholder - Will the homeowners be notified when the excavation takes place?

Don Fawson - That should be fine, and that is not going to happen for quite a while. There are still some big hurdles that have to be done.

Shareholder - So we can buy our respirators

II. MOTION TO ADJOURN THE MEETING

DISCUSSION	END THE MEETING
Don Fawson - At this point now I'll call for the vote to close the meeting.	
VOTE	MOTION TO ADJOURN MEETING: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously

ADJOURNMENT: 9:22PM



Layna Larsen / Corporate Secretary

**COPY OF NEW POLICY ATTACHED
COPY OF WILL SERVE PROVISIONS**



CONFLICT-OF-INTEREST POLICY RESOLUTION 2023-01

Officially adopted by the LDWA Board of Directors, 06/21/2023

A resolution of the Leeds Domestic Waterusers Association (LDWA), Leeds, Utah, adopting an Association Conflict-of-Interest Policy for its board members and employees.

Be it ordained by the Board of Directors of the LDWA, Leeds, Utah, as follows:

SECTION 1. RECITALS

WHEREAS, Leeds Domestic Waterusers Association (hereinafter “LDWA”) is a private non-profit corporation duly organized and existing under the laws of the State of Utah; and,

WHEREAS, LDWA is desirous to increase transparency to its shareholders.

THEREFORE, BE IT ORDAINED by LDWA as follows:

SECTION 2. INTRODUCTION

The purpose of this conflict-of-interest policy is to prevent the institutional or personal interests of Leeds Domestic Waterusers Association (“LDWA” or the “Company”) board members, officers, and staff from interfering with the performance of their duties to LDWA, and to ensure that there is no personal, professional, or political gain at the expense of LDWA.

This policy is not designed to eliminate relationships and activities that may create a duality of interest. Rather, its purpose is to require a) the disclosure of any conflicts of interest, b) the recusal, if warranted, of any interested party in a decision relating thereto by prohibiting the interested board member from voting on any matter in which there is a conflict, and c) confidentiality such that any director, officer, or staff member shall not disclose or use information relating to the business of LDWA for the personal profit or advantage of the director, officer, staff member, family member, or any other organization the person is a member of or participates in.

SECTION 3. CONFLICT OF INTEREST

A conflict of interest is defined as an interest that might affect, or might reasonably appear to affect, the judgment or conduct of any director, officer, or staff member in a manner that is adverse to the interests of LDWA.

A conflict of interest occurs when a person has an economic or family interest in the subject matter. Because of a director’s fiduciary responsibilities, he or she has a duty to be reasonably informed about potential conflicts of interest.

Conflicts of interest may exist when the interests or potential interests of any director, officer, or staff member, or that person's close relative, or any individual, group, or organization to which the person associated with LDWA has allegiance, may be seen as competing with the interests of LDWA, or may impair such person's independence or loyalty to LDWA.

SECTION 4. PROHIBITED ACTIVITIES

The following is a non-exclusive list of examples of conduct or activities that can give rise to or may constitute a prohibited conflict of interest. A conflict of interest may exist if a director, officer, staff member, or close relative:

- a) Has a business or financial interest in any third party dealing with LDWA. This does not include ownership interest of less than 5 percent of outstanding securities of public corporations.
- b) Holds office, serves on a board, participates in management, or is employed by any third party dealing with LDWA.
- c) Derives remuneration or other financial gain from a transaction involving LDWA (other than salary reported on a W-2 or W-9 or salary and benefits expressly authorized by the board).
- d) Receives gifts from any third party on the basis of his or her position with LDWA (other than occasional gifts valued at no more than \$50, or if valued at more than \$50, the gift is made available in a team space or common area for others to share — e.g., fruit baskets, boxes of candy). All other gifts should be returned to the donor with the explanation that LDWA policy does not permit the acceptance of gifts. No personal gift of money should ever be accepted.
- e) Engages in any outside employment or other activity that will materially encroach on such person's obligations to LDWA; compete with LDWA's activities; involve any use of LDWA's equipment, supplies, or facilities; or imply LDWA's sponsorship or support of the outside employment or activity.
- f) Competes either directly or indirectly, with LDWA in the purchase or sale of property or property rights, interests, or services, or, in some instances, competes directly for the same external use of LDWA's resources (for example, staff or contracts) for personal purposes.
- g) Discloses or exploits information pertaining to LDWA's business for the personal profit or advantage of such person or a family member of such person or a person/entity with whom he or she has an agency relationship.

SECTION 5. DISCLOSURE, RECUSAL AND ABSENTION

The Following procedures shall apply to conflicts of interest.

- a. **Disclosure.** Whenever any board member or the general manager has a conflict of interest or a perceived conflict of interest with LDWA, he or she shall notify the board president (or vice president, if the president is the conflicted party) of such conflict in writing.

Whenever any staff member (paid or volunteer) has a conflict of interest or a perceived conflict of interest with LDWA, he or she shall notify the general manager of such conflict in writing.

on the matter. He or she shall not participate in any manner in the decision or deliberations regarding the matter under consideration. However, that person shall provide the board with any and all relevant information on the particular matter.

- c. **Record.** The minutes of the meeting of the board shall reflect that the conflict of interest was disclosed, that the interested person was not present during discussion or decision on the matter and did not vote.

SECTION 6. CERTIFICATION AND ANNUAL REVIEW

A copy of this conflict-of-interest policy shall be furnished to each board member, officer, and staff member who is presently serving LDWA or who may become associated with it.

This policy and its application shall be reviewed by the board of directors annually to assure compliance with the continuing responsibility that persons subject to this policy have relating to their transactions and outside business interests and relationships in order to avoid potential conflicts of interest and make required disclosures.

Each person subject to this policy shall sign a statement on forms supplied by LDWA which, at a minimum, affirm that such person:

- a) has received a copy of the policy;
- b) has read and understands the policy; and
- c) has agreed to comply with the policy.

Such statements shall be maintained on file in the Company's Office.

LEEDS DOMESTIC WATERUSERS ASSOCIATION

By: _____

Donald Fawson, LDWA Board President

06/21/2023

Attested and recorded

By: _____

Layna Larsen, LDWA Corporate Secretary

06/21/2023



LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, Utah 84746-0627

E: LDWAcorp@infowest.com | URL: www.LDWAcorp.org | VM: 435-879-0278

WATER SERVICE NOTICE SILVER POINTE ESTATES PHASE I

June 21, 2023

Final provision of the Water Services is conditioned upon the following requirements:

1. All lots will have a one inch (1") RP (Reduced Pressure Principal Backflow Prevention Assembly) installed within six (6) feet of the LDWA meter on the property owner's side of the meter, paid for, owned by, and maintained by the property owner and tested and repaired (if necessary) as is required by the Utah Division of Drinking Water, annually by a Certified Backflow Assembly Tester at the property owner's expense, with a copy of the test results submitted to LDWA within thirty (30) days of said test. Failure to comply will result in termination of Water Services.
2. All pipe bedding material for main water lines, hydrant lines, and supply lines must be bedded by clean, properly-sized (one inch minus), offsite-supplied bedding material of a color different from the native soil in the area, at the following rates: At least one (1) foot below, one (1) foot on each side, and two (2) feet of top cover.
3. All water lines, including main lines, hydrant lines, and property supply lines to meters, shall have tracer wire installed.
4. All property supply lines shall be a minimum of one inch (1") in diameter and individually connected to the main line.
5. All meter bases shall be installed in accordance with Company specifications.
6. All meter bases shall be "Ford" brand.
7. All piping, associated valves, and supply lines shall be specified by Company. All Hydrants shall be "Kennedy" brand. All hydrant supply lines will have an individual gate valve shutoff.

8. Eight-inch (8") gate valves shall be installed every five hundred feet (500') on the main lines on the downhill side of each hydrant. Hydrants shall be installed along all roadways at a distance not to exceed 500' of separation along any roadway.
9. Detailed "As Built" plans (24" x 36") will be provided to Company upon project completion, including GPS locations of all valves and hydrants.
10. Prior to the initiation of construction of the water infrastructure, oversight of the construction will be clearly delegated to a third party approved by the State or Federal Agency or Agencies with power to shut construction down for any violation or deviation from the Site Management Plan.
11. Prior to the initiation of construction of the water infrastructure, a punch list will be provided to Company by Owner delineating expectations, procedures and timing for testing, dust mitigation, and engineering requirements, as set forth in the Site Management Plan.
12. Prior to the initiation of construction of the water infrastructure, a site inspection by the Department of Environmental Quality, Environmental Protection Agency, or another agency with regulatory oversight of the Project must be arranged by Owner to assure current compliance with the Site Management Plan.
13. Owner will provide written confirmation warranting that clear title to Parcel Number L-3-1-6-230 (the "LDWA Parcel"), has been conveyed to Company with all site mitigation completed to the standards of the Utah Voluntary Cleanup Program. Neither this Letter nor Company's possession of title to the LDWA Parcel constitute Company's acceptance of the LDWA Parcel as a suitable location for a water tank to service future phases of Silver Pointe Estates, pending a full suitability analysis of the LDWA Parcel by Company.
14. A qualified third-party inspector will be on-site during all phases of water infrastructure construction and shall be vested with the authority to shut down construction for any deviation from the Site Management Plan or violation of any federal, state, or local statutes, laws, rules, regulations, ordinances, standards, permits, or other requirements. The third-party inspector shall be familiar with, qualified to use, and in possession of certified and required testing equipment specified in the Site Management Plan.
15. Company will choose the qualified third-party inspector to perform the oversight and inspection duties. Said third-party inspector will be paid by Company, with Owner reimbursing Company for all costs incurred.
16. Company will accept the water infrastructure once all work is completed to Company's standards, including sanitization and leak testing, and is shown to be free of defects. Owner shall not connect to LDWA's water system until the requirements of Article IX of

LDWA's Bylaws are met, the Subdivision's water infrastructure is completed, and the water infrastructure is inspected and accepted, in writing, by LDWA.

17. A Warranty and Bond shall be issued by Owner for one year from the date of written acceptance of the water infrastructure by Company to cover any and all repairs of the Subdivision's water infrastructure.
18. All roads will be built in accordance with best practices and applicable geotechnical standards to provide adequate stability and load support, and to prevent subsidence in order to protect the water infrastructure underlying the road surface.
19. All water piping will be of such a material or otherwise shielded as to be impervious to all naturally occurring radiation. HDPE is not acceptable. The pipe materials and/or shielding will be chosen, and the water infrastructure design finalized, after consultation with experts and the LDWA engineering group, with LDWA making the final decision relative to suitability and design.
20. Owner is encouraged to take steps to mitigate the possible resumption of mining in the Subdivision.

If construction of the water infrastructure for the Subdivision has not commenced within one (1) year from the date this Letter is executed or is otherwise not diligently prosecuted for a period of one (1) year, the terms of this Letter shall expire without further action or notice by LDWA.



LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2. ANNOUNCEMENTS

- a) Consent Agenda
 - o Acknowledgement of Meeting Notice
 - o Vote to Approve This Meeting's Agenda
 - o Vote to Approve Previous Meeting Minutes

3. OFFICERS REPORTS

- a) President's Report [[Don Fawson](#)]
- b) Operations (Field) Report [[Mark Osmer](#)]
- c) Office / Finance Report [[Doris McNally](#)]
- d) Administration Report [[Kurt Allen / Don Fawson](#)]
 - o Update on System Project

4. SHAREHOLDERS COMMENTS

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)

5. ROLL CALL VOTE TO CLOSE MEETING



MINUTES

DATE/TIME/LOCATION:	July 19, 2023	7:00 PM.	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen (Corporate Secretary)		
ATTENDEES:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T), Alan Cohn (M) Brant Jones (M) Staff: Layna Larsen (Corp Secretary) Mark Osmer (Field Op Mgr) Shareholders: Susan Savage, Ron Cundick, Angela Rohr Guests: Riley Vane (J & D), Devin Anderson (Silver Eagle Estates)		

Agenda Topics

I. CALL TO ORDER [Don Fawson @ 7:00PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	PRESENT: Don Fawson, Kurt Allen, Doris McNally, Brant Jones, Alan Cohn
PRAYER	Ron Cundick
PLEDGE	Don Fawson
CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

II. ANNOUNCEMENTS [Don Fawson]

DISCUSSION	AGENDA OUTLINE
Don Fawson - Ok Let me announce the agenda now. We will have a conflict-of-interest statement in just a minute. Then we will have individual reports. We will start with Mark, then Doris, then Brant, then Alan, and then Kurt. We will then hear from Silver Eagle Estates, and then any shareholder comments.	

DISCUSSION	DECLARATION OF ANY CONFLICT-OF-INTEREST						
<p><u>Don Fawson</u> – We have created a Conflict-of-Interest Policy. Doris, I know you worked on this, where does the policy stand.</p> <p><u>Doris McNally</u> – Based on our discussion last month the drafted policy is currently posted online on the LDWA website. I’d also like to propose that we attached the policy to the minutes from tonight’s meeting.</p> <p><u>Don Fawson</u> - I just want to officially get the policy accepted, so I will accept a motion to accept the Conflict-of-Interest Policy. Then I would like to ask if there is anyone who has a Conflict-of-Interest on our agenda topics today?</p>							
VOTE	MOTION TO ACCEPT THE CONFLICT-OF-INTERST POLICY: Allan Cohn SECOND: Kurt Allen MOTION APPROVED: Unanimously						
CONFLICT	<table border="0"> <tr> <td>Alan Cohn - No conflict</td> <td>Brant Jones - No conflict</td> <td></td> </tr> <tr> <td>Don Fawson - No conflict</td> <td>Kurt Allen - No conflict</td> <td>Doris McNally - No conflict</td> </tr> </table>	Alan Cohn - No conflict	Brant Jones - No conflict		Don Fawson - No conflict	Kurt Allen - No conflict	Doris McNally - No conflict
Alan Cohn - No conflict	Brant Jones - No conflict						
Don Fawson - No conflict	Kurt Allen - No conflict	Doris McNally - No conflict					

III. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	NUMBERING FIRE HYDRANTS
<p><u>Don Fawson</u> - I just want to give a thanks and shout out to Doris and her husband Bob for numbering the fire hydrants. That was a big project. They did a great job and the hydrants have been numbered according to geographical section within the Town.</p> <p><u>Alan Cohn</u> - It was a job no one else wanted to do.</p> <p><u>Don Fawson</u> - It really was, and Doris and Bob were very efficient at it. So, thank you very much, Doris & Bob.</p>	

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
<p><u>Mark Osmer</u> - We passed our BacT test again this month. I've been flushing fire hydrants, greasing them, maintaining them, making sure they all work. We test the static pressure and then we also test the gallons per minute when we're flushing. We've completed about 30% at the moment. So, I'm now working my way through the remainder.</p> <p>I've been working with Riley. We've been doing some testing on the system, checking pressures and different stuff like that. And then just general maintenance of the system.</p>	

DISCUSSION	THE SPRING :: WATER VOLUME
<p><u>Mark Osmer</u> - We're still running solely on Spring water at the moment, but I think I will have to turn the Well on probably tomorrow or Friday. Just due to the heat and people using more water.</p> <p><u>Don Fawson</u> - Any questions for Mark?</p>	

Kurt Allen - What time of the year do you typically start the well? I know this is later in the season.

Mark Osmer - Probably around April or May normally.

Kurt Allen – Really.

Mark Osmer - Pretty early, yeah.

Kurt Allen - So, the Spring has lasted a long time.

Mark Osmer - Yeah, it has lasted a really long time. I'm just going to check it tomorrow and see it's flow rate.

Alan Cohn - And what's the flow of the Spring right now? Do we know?



Mark Osmer - About 245 gallons a minute?

Don Fawson - That's for the Spring?

Mark Osmer - That's for the Spring, yeah.

Don Fawson – OK. Thank you, Mark.

c) OFFICE FINANCE REPORT [Doris McNally]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]
<p>BILLING Billing for June was completed/mailed on July 1st.</p> <p>NEWSDRIPS The June Invoices included an article on the upcoming Backflow & Cross-Connection survey. We have started sending out the surveys to shareholders. Once the surveys are physically mailed an email reminder will be sent to encourage shareholders to complete and return them.</p> <p>Based on the feedback from the Board on the draft articles I proposed for the July invoices. I'd like to MAKE A MOTION to approve the Article for the upcoming August Invoice production run, regarding the use of PayClix.</p>	<div data-bbox="938 1119 1474 1465">  <p>IMPORTANT SURVEY</p> <p>In the coming months you will be receiving a survey from the LDWA. In compliance with the State of Utah Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ), we are required to carry out a program of Cross Connection Control that helps protect your drinking water from contamination. The first step of this program is to get insights from you.</p> <p>Reducing and eliminating Cross Connection Hazards is a required regulatory requirement of the State of Utah. We are asking each shareholder to complete the survey and send it back to us.</p> <p>Thank you for helping us to keep our Water Company "safe and independent" by maintaining compliance with DDW / DEQ regulations and allowing us to continue to have some of the best water in the State.</p> </div> <div data-bbox="938 1476 1474 1812">  <p>Online Bill Payment with e-check or credit card</p> <p>Paying your water bill online with PayClix.com</p> <p>Your LDWA water bill can be paid online through PayClix.com. PayClix is a secure, fast online payment portal where you can use your computer, smartphone, or tablet to pay your bill on-the-go and make payments anytime, anywhere. For both online and mobile payments, you can pay via automated transfer from your credit card, debit card, or an E-Check.</p> <p>You can pay by phone: (866) 729-2549. Talk to a Live Representative who will assist you. (Monday through Friday from 7:00AM – 3:00PM MT) or you can pay online @ payclix.com/LDWA.</p> </div>
<p>VOTE</p>	<p>MOTION TO ACCEPT PAYCLIX ARTICLE: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously</p>

DISCUSSION **FINANCE [Doris McNally]**

PAYCLIX

In June we had 77 shareholders who paid their bills using this payment option. The total amount collected through PayClix was \$5,721.37. With 57% paid via credit cards & 43% via echecks.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30
May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46
Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37
	267	\$15,084.84	168	\$9,378.92	435	\$24,463.76

FINANCE [May 2023]

		% to TOTAL
Total Net Ordinary Income:	\$30,504.65	
Total Ordinary Operating Income:	\$29,527.73	96.8%
Total Other Operating Income:	\$976.92	3.2%
Total Net Ordinary Expense:	\$24,993.02	
Ordinary Field Operating Expenses:	\$7,681.57	30.7%
Ordinary Admin Operating Expenses:	\$4,456.13	17.8%
Professional Operating Expenses:	\$2,364.00	9.5%
Labor Expenses:	\$10,491.32	42.0%

The LDWA's Banking Accounts [as of 07/12/2023]

CHECKING ACCOUNT	\$27,487.36
SAVINGS ACCOUNT	\$284,403.15
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$206,598.15
DDW LOAN #3F138 FUND	\$21,281.24
IMPACT FEE ACCT	\$60,549.98

DISCUSSION **CALL FOR A VOTE TO APPROVE FINANCIALS**

I think we need to ask the board to approve the Financials as they were presented

VOTE MOTION TO APPROVE THE REPORT AS PRESENTED: Doris McNally | SECOND: Kurt Allen
MOTION APPROVED: Unanimously

d) ADMINISTRATION REPORT

DISCUSSION **UPDATE ON LWC [Brant Jones]**

Brant Jones - The agreement that is between the two companies is being worked on, and that's going to be reviewed by an LWC water attorney. Tom Beach (LWC Board Member) is giving that to an attorney.

The other item that came up was LDWA getting calls for the LWC because there's just not a great place to find information about the irrigation company. So, we discussed that today, and they're working on a website. The point was that we wanted to divide up responsibilities. If it's about billing that goes to one person, if it's about maintenance it goes to another person. Tom Beach is working on that website; he's already got it in the works so we will get it to you as soon as we can.

Doris McNally - So there is an info page on our website. The website also has local information, we have the address for the post office, and we have the address for some other locations. We could also add the LWC with a little description of what it is onto our website because there is a confusion. All I would need

from you is what address would you like for that to be and your phone number. So, if you have an interest in that it is available.

Brant Jones - Right now we find everybody wants their personal phone numbers on there. So, for right now just send them to me.

Doris McNally - OK. But the offer to put it up on our website is still available to you, just let me know the details. I'm happy to do that.

Brant Jones - All right. Thanks.

DISCUSSION

PROJECT UPDATE [Kurt Allen / Riley Vane]

Kurt Allen - OK. There's been a lot happening with the projects and it's hard to keep up with these guys they are moving fast. I think that the environmental efforts and the permits are starting to come together and so we're starting to see some results in that area. We've been preparing for this for a long time, and I don't want to take away Riley's thunder, he's way better equipped at explaining this than I am. Riley has brought with him the 60% drawings of the Projects which includes the Oak Grove line, the East Main Street Line, and the Well building structure and appurtenances for the Well. So, with that I'll turn the time over to Riley to give a presentation. It's great to have Riley back with us. He has been busy working behind the scenes.

Riley Vane - Well, it's good to be back. I'm grateful for the opportunity to come and give an update of our efforts so far and they have been extensive and speak to what Kurt mentioned. You, the Board have in front of you an updated timeline as of today, indicating where we sit with our projected tasks until the project completion, more or less. There have been some delays and I think we've spoken to this individually but as far as the rest of the Shareholders are concerned, we received initial DDW project approval back in August. In close coordination with the Board, we felt it was expedient to get an additional amount of money to test the existing Well and that was approved in November. LDWA voted to proceed with the projects back in December, which is apparently all you need to get rain, because then we started getting rain and although we're grateful for it, it did cause delays. Two surveys had to occur in order for the projects to continue. One being the Survey of The Actual Line and everything that would go into that design. The second being the Cultural Survey, the Cultural Survey being the more critical of the factors from a timeline perspective. The ground was obviously wet and muddy for so long causing a delay. It would dry out for a day and then it would be wet for another three days during that rainy season. So, we had about six weeks delay trying to get both the line and cultural surveys completed in order to meet the funding requirements. So, we carried on as able and continue to do our surveys and engineering.

DISCUSSION

WELL

Riley Vane - We tested the Highlands Well also during that time and experienced some delays as we were testing the Well, pulling the old pump, getting the new pump installed and getting a new yield rate approved by DDW. That's been approved so we have a permitted increase in withdrawal from that diversion. So, if the demand is there, you're able to pull more water from the existing well.

DISCUSSION

PERMITTING

Riley Vane - And some of the other components that we are marching through is, as I mentioned, the environmental permitting. So, not only do we have the good fortune of dealing with one government

agency, but we get to deal with two, the National Forest Service and the BLM. They both have individual permitting processes you have to go through in order to make improvements on their land. Although it's similar in nature, you are dealing with completely different entities who usually end up focusing on different things and it just takes time. So, concurrently we've got the applications completed and submitted to them. They will now get back to us and indicate what the environmental review must contain, and we'll work to complete those requirements. Unfortunately, you can't pin a timeline down, especially post COVID, but we're typically seeing 6 to 12 months, typically around nine months. We have a very good application and considering that the improvements are already located in disturbed areas, I would expect an expedited schedule on that, six months from the review time, but far be it for me to try and outguess the government. So, getting that permitting in place and approved with the State is our critical path to moving forward project completion.

DISCUSSION

CONTRACTOR DESIGN ASSIST PORTION

Riley Vane - As Kurt mentioned, we have a 60% design that's ready and I welcome anyone to come up and look at the plans and discuss that after the meeting. We are now poised and ready to do our contractor design assist portion. We will issue an RFQ request for qualifications. We need qualified contractors to go through the designs and reduce the amount of expensive and time-consuming change orders. This is ultimately the goal. Do the value engineering, get a better product and reduce the amount of change orders during construction. That's the intent of doing this design assist portion.

Don Fawson - So 60% we are leaving out the final 40% details and that 40% would be where the contractor actually comes in and works with you. So, it's the little details more than anything.

Riley Vane - Yes, exactly. The bulk of the design is already there and ready for final review and design working with the selected contractor. At a certain point you stop the detail design because experience tells us we're just going to have to change them anyway. Contractors are more knowledgeable about availability of products and of ways to cut the overall cost so we can put more money to where it's needed. So, the bulk of the design is there, and as Kurt mentioned, we have the three schedules and I say 60 percent but it's a technical term, but they are at varying level of completion.

- Schedule 1: the new Well house, the chlorinators, the altitude valve, all those ancillary items, and appurtenances.
- Schedule 2: the Oak Grove five-mile pipeline, and the head structures that are included in that, and
- Schedule 3: the Main Street East portion of the one-mile pipeline through Town.

Not included in this plan set, is the drilling of the new Well. We've already received DDW approval for our plans on that and we can't pull the trigger until we have the permit from the **BLM**, but our plans are approved and ready to be issued for a bid.

DISCUSSION

MAIN ST COST SHARING WITH WCWCD

Riley Vane - The other portion of the funding project, the cost sharing portion with Washington County Water Conservancy District (WCWCD) is also moving forward and we are coordinating with Civil Science, the WCWCD engineer, on that. I think you have some updates Kurt, and I'll let you speak to that.

Don Fawson - So Civil Science is the WCWCD Engineering Firm.

Riley Vane - In meeting with them early on, it was apparent that because we're paralleling their pipeline, they were responsible for the bulk of that design. We went through and designed all the connections so that they made sense for our system, and those designs were to LDWA specifications. Civil Science is

responsible for the bulk of the total project design that we reviewed at every interval, 30%, 60%, 90%, and now they're approaching final construction drawings.

DISCUSSION

PERMITS & BIDDING

Riley Vane - So that brings us to today, we have 60% designs completed so we are in the middle of a waiting game to see what happens with the environmental reviews and as soon as we get some movement on that, we'll know how to respond accordingly. Knowing when to pull the trigger and getting some contractors involved on the design assist. We have that coming up and then shortly thereafter completing the plans and designs and getting everything into the State for final approval.

There's nothing to say you can't bid before the permitting is finalized and in fact, I'm planning on doing just that. If you look at our timeline you will see the bid schedule, but we've got to be a little bit closer. You want to be about four to six weeks out from the time you expect the permits to be approved. It just doesn't do us any good to put that out to bid at the moment because you're going to expect some amendments and contract modifications after that. Usually, the permitting agency can give you a tentative approval, a verbal approval, and that's good enough to start moving forward with the bidding process and procurement.

DISCUSSION

PROJECTS START TIME

Riley Vane – We are hoping to start this year and we may be able to start the drilling and some portions of the projects this year, but ultimately, it's up to the BLM and the National Forest Service at this point and how long they're going to take grinding through the permit process and getting us approval. The board was wise in upsizing and testing that existing Well, so we have an increased capacity there and we were blessed with a great water year. I don't see any indication that we're going to be using a record amount of water in Leeds this year due to large rainfall and so I think this is a good year to plan and get everything in order, to make sure that our contract goes smoothly during construction. Any other questions?

Don Fawson - Riley, one of the things that you mentioned earlier was the altitude valve, it was my understanding that because we discovered the other line, the overflow line that we could abandon the altitude valve.

Riley Vane - We certainly can. We also mentioned and talked about putting some effort into re-piping that so it's on the proper overflow pipeline that's coming from the Highlands tank, and then putting the same solenoid valve so you could manually control it. I think that there still is a need there to be able to shut off that line as needed. If you just run that pipe straight to it, you kind of lose that control and I wouldn't recommend it. You may lose that funding.

Don Fawson - Let me ask you this. I mean that money should just be part of the entire package, right. So that could be shifted over to the East side pipeline if in fact we need to.

Riley Vane - If we can prove that it's not needed and that it's still preserves the intention of the project and not go outside of scope of the pipeline improvements like the chlorinator and stuff like that then yeah, we can. I still think we need to have it as an alternative item, and it's something that we can have in our back pocket if there's funds left over or however you instruct us to do that we can move forward accordingly.

Don Fawson - Lets have more discussion on that. (After further discussion, it was determined that since the overflow was not consistent and our obligation to LWC needs to be met on a consistent basis, the altitude valve may still be necessary)

Riley Vane - OK

Don Fawson - Appreciate that.

Riley Vane - Any questions? Thank you.

Don Fawson - Thank you, Riley.

Doris McNally - Riley, I want to work with you and update the website with some copy on the individual projects just to keep the shareholders updated. And I also like to have the Board take a review of all the documents and see what we'd like to either attach to this meeting minutes or post on the website, because especially the project schedule would be something of interest. So, I might need some copies from you electronically, Thank you.

Kurt Allen - Yeah, that was the intent. Doris, asked for a schedule that we could put on the website here a couple of weeks ago and so that was our intent that Riley and I get this in writing so that we can post it on the website.

DISCUSSION

MAIN ST PROJECT

Kurt Allen - I want to speak to the combined Washington County Water Conservancy District (WCWCD) 24-inch pipeline project and our 10-inch pipeline project. You know, there's been a lot going on behind the scenes with that as well. I don't know if people realize that our portion of that project is Federally funded and has a whole different set of rules attached to it than the WCWCD 24-inch pipeline. Because of that, WCWCD has been very generous in allowing Civil Science to put the extra work into breaking that project out into two bid schedules and then setting up a complete set of guiding rules for our 10-inch pipeline versus their 24-inch pipeline. By that I mean because our line is Federally funded, it's going to be Bacon Davis Wages, (Federal Minimum Standards) Certified Payroll. The contractor has to buy American made products, has to pay certified payroll, and the reporting system back to the Division of Drinking Water is going to be quite intensive and require a lot more paperwork. So, Civil Science has been working with the Division of Drinking Water. Heather, at the DDW, has been amazing to work with them and get any questions answered and get everything in the specifications so that when the contractor bids this project, they know what they're getting into. They know they must bid it accordingly, knowing that they have to live by this separate set of rules. With that said, these additional requirements have delayed WCWCD letting out their 24-inch pipeline to bid. They have been waiting for the Division of Drinking Water approval and waiting for the specifications to be written and waiting for the rules to be established and approved by Heather before they bid their 24-inch pipeline out because our 10-inch is part of the entire bid package. I need to compliment and give the WCWCD credit for allowing the Civil Science group to take the time to make the Division of Drinking Water happy and meet all the added requirements that come with our Federal loan and grant money. Trevor, with Civil Science, indicated to me this week that Heather is satisfied with everything and given her approval for it to go out to bid. Trevor indicated that they're going to advertise it for bid next week. It'll be a two-week bidding period and then they will accept the qualified bids from contractors. So, it's coming. It's there, like Riley says they're at 90% drawings and they are basically calling it 100% drawings if they're going to let it out to bid. It's going to be a big project, I'm not sure what the total dollar value is going to be, but as you remember we bid the materials already and so the materials have been awarded to Ferguson Supply and our portion of the materials was just right around \$500,000. The contractor that bids this project is going

to bid labor and equipment only, the materials will already be supplied to them. It's ready to go and I think in the next 30 days you're going to see them breaking ground down on the South end of town by Harrisburg and they'll be working their way North up old Highway 91. It'll probably take them a month or month and a half or so before they get into Town. At that point, they will start working on our 10-inch pipeline along with their 24-inch. Any questions on any of that?

Doris McNally - I have a question. Do you think the Town Council knows fully all about what you just shared? I see Ron (Cundick) is here and I don't expect Ron he has memorized all this info, but do you think WCWCD shared that detail with the town?

Kurt Allen - I'd be happy to. I know Ron understands that, especially the Davis Bacon Wages, but I'd be happy to present something.

Doris McNally - I know they have a meeting coming up and I just wanted to see if you could extend an offer to share that information.

Kurt Allen - Be happy to.

Ron Cundick - Maybe we could put you on the agenda and just give it a summary of what you just said.

Kurt Allen - Just a quick summary? Yeah, be happy too.

Doris McNally - I think the biggest thing is just letting the Towns people know that the road is going to be under construction. So, thank you Kurt that was good.

Kurt Allen - The odds are that both sides of the road are going to be dug up at the same time. You know, I don't want to make too big of a deal about that because the contractors will work that out, but the traffic has got to be maintained both directions and they'll have to share the real-estate.

Don Fawson - I have a question relative to the WCWCD pipeline. Since part of that line was a pump station at the south end of Town. Has the Town come to any kind of agreement with Washington County Water Conservancy District on that pump station.

Ron Cundick - As far as I know we haven't heard any more about it.

Kurt Allen - They took it out of their bid by the way, the pump station. It's going to be a separate contract.

Doris McNally - I think Don, at the Town Planning Meeting we just went to, that was one of the topics covered. So, I think it needs to be left to the Town.

DISCUSSION

GIS

Don Fawson - OK. Just one quick report. We are updating our GIS system, so we have more accurate overlays of all the piping, hydrants, meters and valves in Town. We have a company that we're working with right now to get that taken care of.

At this time then we'll turn some time over to Silver Eagle Estates. Devin, you want to come up and tell us where you are at?

DISCUSSION

SILVER EAGLE ESTATES

Devin Anderson - So today we're here to just ask for an extension on our Will Serve Letter for Silver Eagle Estates. We had one previously and it's expired. Any other information you need from us?

Don Fawson - Just a question, I know that when you came to the water company and asked for water, it was kind of shocking to find out that you had to bring water and that there were certainly delays involved in that. So can you tell us where you're at engineering and construction wise.

Devin Anderson - From what I understand engineering wise we're ready to go from your perspective. Today we received notice that the State should be sending us an approval letter for our septic that we're trying to do which at that point we will come back into the Town and ask for the discussion on that. If all goes well, then at that point we would be ready to apply for permitting. That is what I understand.

Don Fawson - All right. Any questions from the Board?

Kurt Allen - I think the good news that's come recently is Paul Wright, with the Division of Drinking Water, gave his approval for your project. Congratulations on that. And that was a longer process than you wanted it to be, waiting for engineers, but they finally got their updates back to him and he's given his approval to move forward.

Devin Anderson - We appreciate all your support. Everybody's been very helpful helping us navigate through this.

Doris McNally - We appreciate the collaboration. It's really been good so far.

Devin Anderson - We're almost there. Thanks.

Don Fawson - Any discussion from the Board as far as issuing an updated Will Serve Letter?

Alan Cohn - I think they're doing all the right things.

Don Fawson - I will entertain a motion.

VOTE	MOTION TO SIGN THE SILVER EAGLE ESTATES WILL SERVE LETTER EXTENSION: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
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IV. SHAREHOLDERS COMMENTS

DISCUSSION	COMMENTS
Don Fawson	- The voting was unanimous. We will get the Will Serve issued and you will be on your way. OK. At this point in time, we will open the meeting for shareholders comments. Angie did you want to make comment? Angela Rohr - Out of curiosity I was just wondering the definition for Cultural Survey. Riley Vane - It's part of the National Environmental Protection Act. If you're doing a project on Federal Land, you need to do a cultural survey to identify any type of historic fire pits, arrowheads, or anything

like that left by indigenous peoples. You must have a certified artifact expert on the ground looking through the area in question and identifying points of interest or declaring the area clear. Once this is completed and mitigated, as necessary, a certificate is issued, and you are allowed to proceed.

Angela Rohr - That sounds like a big job,

Riley Vane - It was.

Angela Rohr - Is it completed already.

Riley Vane - The BLM portion has been completed. I'm pretty sure the National Forest field work is done, and they are just getting the last documentation put together.

Angela Rohr - And so it doesn't involve any other animal life or ...

Riley Vane - No, that goes through a different screening process that is also reviewed. So, you do look at vegetation, and animal life, endangered species, you have to look at all that, but the actual survey on the ground is specifically for cultural items.

Angela Rohr - Ok, I appreciate that. And then I was wondering about the pipeline if the decision has been made whether it's going to be 6 inch or 8 inch or does that come through the contractors?

Riley Vane - Which line?

Don Fawson - The Spring?

Riley Vane - The Spring is 8-inch?

Angela Rohr - Ok, Thank you.

Don Fawson - Thank you Angie. Anyone else?

Susan Savage - We just received a notification from the Division of Water Rights of the approval of the WCWCD pipeline from the Ash Creek reservoir and we, our families, are filing a request for reconsideration. We have 20 days to do that. Our purpose for doing that is that we feel like there hasn't been a baseline study of what the aquifer was like before the current reservoir was there. That's been 60 years since it was created. So, whether or not the seepage which should be considerable from there, contributes to our aquifers has not been documented. We haven't seen studies of that. The baseline should tell if, in fact, the seepage does charge our aquifer and we feel like that's important for the analysis. The baseline would establish what the aquifer was like before the reservoir was created. Because since then the reservoir has contributed to something, that water has been going somewhere. But also, a whole bunch of other things have happened, like the WCWCD has piped the drainage coming off the mountain, so there's no seepage from those drainages going into the groundwater.

Don Fawson - So, is that above the dam at the top of the Black Ridge or below.

Susan Savage - That would be like Wet Sandy. Between there and here. So, any seepage from those sources isn't going into the aquifer. And at the same time when that dam was created by the freeway construction that created the reservoir, there weren't any wells down here at the time. I mean Wells that were serving communities, like our Irrigation Well, the LDWA Well, and the Cottam Wells, and the

Sullivan Well Field wasn't there. The Cottam Well is sending water all over the county, there's a whole bunch of people depending on that. So, there's a lot of withdrawal from the aquifer and a lot of elimination of seepage. So, we're asking for a baseline documentation of what was actually happening with the aquifer before all this activity happened which they should have in order to make their decision.

Don Fawson - Do they have historical documents to indicate what that was or is this something where they're going to have to go drill or how do they do this?

Susan Savage - No they have to have a historical document because the baseline would have to say what was happening down here before any of this other stuff and any other activity. But what we know is the freeway construction began in 1960 about then, in 1962 the Washington County Water Conservancy District was organized and almost immediately they closed our area to new appropriations of water rights transfers, as you may recall. And I think, not sure, but I think our area was described as going from Anderson Junction, to Washington, that far South, and from Pine Valley Mountain to the Virgin River. So, that particular area was closed to new water appropriations, but the rest of the County was open. So, there was some kind of thinking going into the closure at that time. So, nobody has said that they have any idea why that was. So, we're just saying it's a big gamble. It's a big risk to say, "Well you know the reservoir added water to somewhere." And you know, the WCWC District says, "Well, we think it's going somewhere else." So, everybody's got their own idea. We would just like to see if they have some actual data on what it was like before compared to what it's like now. Does that make sense?

Don Fawson - Yes. So, actually, you're not protesting, you're just saying we want data, is that what you're saying?

Susan Savage - When you do a protest, they do their analysis and put all the information together and then they send out the order of The State Engineer, based on what they've decided. So, they decided to grant the permit and they have quite a lot of caveats in it. There are quite a lot of restrictions in it. Then you have 20 days to ask for a reconsideration if you feel like you want to add or change something. I don't think we're thinking about it. I don't know that they will offer another hearing on it which we weren't asking for. We're just saying, we feel like there is an important piece of information that hasn't been considered and we feel like it should go into that decision.

Don Fawson - So you're not asking for a reconsideration, you're asking for a study to be done to ascertain where it is right now so that if something goes South in the future, you'll have some data.

Susan Savage - You know, we've tried to get that before. But we are asking for a reconsideration based on the fact that we don't know what the aquifer was like before all of these things, before there was a reservoir, and before there were wells, and before all the drainages were enclosed in pipelines, and so on. What was it like then and before the drought, we've had these long years. I just said, you know, my feeling about climate changes when we were children in the 40s and 50s Leeds was in an orchard town. So that was flood irrigation, and you don't plant trees unless you're sure that you're going to have water. So, there has been enough change since then in the water supply from the mountain that we have to have it totally piped now. And so, we can't count on water like we had when we were growing up. It would have been really rare to not have a big snowfall on the mountain. Do you remember that after you moved here?

Don Fawson - I remember when we first moved here it was a lot more consistent that way. I remember a conversation with your dad, he told me the name Quail Creek came from the fact that there were many quail at that time. But he said they had a really big snow, about 5 feet in the canyon and it killed them off. They've made a comeback, but at least at that time there was a huge snowstorm.

Susan Savage - We would have been surprised if the mountain wasn't covered with snow every winter. So that's changed a lot. We're celebrating this year because we haven't had that in a while.

Brant Jones - We also typically would have a good monsoon pattern by now, we would have had some rain by now.

Susan Savage - We used to have a lot of storms, big storms in the summer. So, you know, over the years we've said, so where's the water coming from to recharge the aquifer? People would say, from Pine Valley Mountain, from the snows on the mountain and the big storms in the summer. We don't have those anymore. We keep pulling more water out of the groundwater and eliminating the seepage. Now this last big piece of seepage, that reservoir up the Black Ridge, they want to eliminate that. So, we're just saying where's the data that shows what it was like before that? To compare with what it's like now to go into the analysis of what it's like now,

Don Fawson - Is Alan doing that too? Is he asking for that?

Susan Savage - I haven't approached him, we just got the letter yesterday. I will write up a response and see what he thinks about that. Is that something that LDWA is interested in.

Don Fawson - Yeah, I think we would like to be able to get a copy of what you're doing.

Susan Savage - I don't think you protested. Our letter has some names on it, but I don't know who they are or what they represent.

Don Fawson - I don't know how many of you saw how full the lake up at the top of the Black Ridge was this year. And then you saw how fast it emptied out. I've thought that I need to get off the freeway there and go down and look and see what's under I-15 there because I don't really know what that looks like.

Susan Savage - I don't know if it's the WCWCD or the water engineers who have the ability to drain it. And I went up several times, the road was blocked because the water had flooded clear back over the highway, so they had the roadblock and I just parked at the top of Black Ridge and walked back in there. I ran into a couple of people a couple of times when I was out there and one of them was doing something for the WCWC District to check on the outlet, he was walking down to check on it and he said, they can release the water and they have released it somewhere because they are anticipating a lot more runoff. I don't know who makes that decision.

Don Fawson - So, the highway just completely blocks it and then they have a pipe or something under the highway that they can open up or close or is there a spill way.

Susan Savage - He says there's a valve or something there that they can release some of that water and as you get back in there, you can look along you know, when it's dry, like now you can see several like big outlets or a culvert and then a bigger outlet. You know, I haven't walked down in, he says the valve is right where the highway, goes through the Black Ridge right there in the deepest part there's something down there. So, I've been going to ask the water engineer if they give the instructions to release water or if the WCWC District does that, or who does that? Otherwise, it's seepage and I don't know if you had a chance to listen to the talk that they had in Ivins. Zach Renstrom was there, and he called it a leaky old reservoir, that they're going to solve it by piping the water and by eliminating the seepage. That raises some big questions. (The seepage come from the leakage).

Don Fawson - It would be interesting. I know it kind of looks like mud down in the bottom, but it has to be seeping out somewhere. I know, it's all lava rock up in that area.

Susan Savage - I think it almost has. And this man just said the reason that they were releasing was just as I said, because they were anticipating more runoff.

Don Fawson - I appreciate that, Susan. Anybody have an idea how big the water line is that WCWCD is installing? I've seen the pipe stored at Anderson Junction. Anybody have an idea how big that pipeline is? Riley, do you know?

Riley Vane - I can't remember if you wouldn't have asked me, I could have told you, but I have heard it. It's pretty big. 24-inch or 30-inch something like that

Mark Osmer - 24-inch.

Doris McNally - It's bigger than 24.

Don Fawson - Susan, thank you, very much

Kurt Allen - Thank you, Susan.

Angela Rohr - I have another aspect question. I was pleased to be reminded that we had already set aside the half million dollars for the materials. Does that include the pipes going up to the Spring, or is that just on Main Street?

Kurt Allen - that's just the West Side Main Street project.

Angela Rohr - Because you know what our supply chains are kind of falling apart at times. So, it's a concern when we're ready, it won't be available. And the price keeps going up.

Kurt Allen - Yes, for sure. Yeah, we are replacing the line going to the Spring as well.

Don Fawson - If there's nothing else. Then I'll accept the motion to adjourn.

V. MOTION TO ADJOURN MEETING

VOTE

MOTION TO APPROVE PRIOR MEETING'S MINUTES: ALAN COHN | SECOND: DORIS MCNALLY
MOTION APPROVED: Unanimously

ADJOURNMENT: 7:49 PM



Layna Larsen / Corporate Secretary



LEEDS DOMESTIC
WATERUSERS ASSOCIATION

A private non-profit, shareholder owned culinary water utility.

CONFLICT-OF-INTEREST POLICY RESOLUTION 2023-03

Officially adopted by the LDWA Board of Directors, 06/21/2023

A resolution of the Leeds Domestic Waterusers Association (LDWA), Leeds, Utah, adopting an Association Conflict-of-Interest Policy for its board members and employees.

Be it ordained by the Board of Directors of the LDWA, Leeds, Utah, as follows:

SECTION 1. RECITALS

WHEREAS, Leeds Domestic Waterusers Association (hereinafter “LDWA”) is a private non-profit corporation duly organized and existing under the laws of the State of Utah; and,

WHEREAS, LDWA is desirous to increase transparency to its shareholders.

THEREFORE, BE IT ORDAINED by LDWA as follows:

SECTION 2. INTRODUCTION

The purpose of this conflict-of-interest policy is to prevent the institutional or personal interests of Leeds Domestic Waterusers Association (“LDWA” or the “Company”) board members, officers, and staff from interfering with the performance of their duties to LDWA, and to ensure that there is no personal, professional, or political gain at the expense of LDWA.

This policy is not designed to eliminate relationships and activities that may create a duality of interest. Rather, its purpose is to require a) the disclosure of any conflicts of interest, b) the recusal, if warranted, of any interested party in a decision relating thereto by prohibiting the interested board member from voting on any matter in which there is a conflict, and c) confidentiality such that any director, officer, or staff member shall not disclose or use information relating to the business of LDWA for the personal profit or advantage of the director, officer, staff member, family member, or any other organization the person is a member of or participates in.

SECTION 3. CONFLICT OF INTEREST

A conflict of interest is defined as an interest that might affect, or might reasonably appear to affect, the judgment or conduct of any director, officer, or staff member in a manner that is adverse to the interests of LDWA.

A conflict of interest occurs when a person has an economic or family interest in the subject matter. Because of a director’s fiduciary responsibilities, he or she has a duty to be reasonably informed about potential conflicts of interest.

Conflicts of interest may exist when the interests or potential interests of any director, officer, or staff member, or that person’s close relative, or any individual, group, or organization to which the person associated with LDWA has allegiance, may be seen as competing with the interests of LDWA, or may impair such person’s independence or loyalty to LDWA.

Leeds Domestic Water Users Association (LDWA)

545 N Main Street, Unit# 7 | PO Box 460627 | Leeds, UT 84746

Phone: (435) 879-0278 | E-Mail: LDWAcorp@infowest.com | Web: ldwacorp.org

SECTION 4. PROHIBITED ACTIVITIES

The following is a non-exclusive list of examples of conduct or activities that can give rise to or may constitute a prohibited conflict of interest. A conflict of interest may exist if a director, officer, staff member, or close relative:

- a) Has a business or financial interest in any third party dealing with LDWA. This does not include ownership interest of less than 5 percent of outstanding securities of public corporations.
- b) Holds office, serves on a board, participates in management, or is employed by any third party dealing with LDWA.
- c) Derives remuneration or other financial gain from a transaction involving LDWA (other than salary reported on a W-2 or W-9 or salary and benefits expressly authorized by the board).
- d) Receives gifts from any third party on the basis of his or her position with LDWA (other than occasional gifts valued at no more than \$50, or if valued at more than \$50, the gift is made available in a team space or common area for others to share — e.g., fruit baskets, boxes of candy). All other gifts should be returned to the donor with the explanation that LDWA policy does not permit the acceptance of gifts. No personal gift of money should ever be accepted.
- e) Engages in any outside employment or other activity that will materially encroach on such person's obligations to LDWA; compete with LDWA's activities; involve any use of LDWA's equipment, supplies, or facilities; or imply LDWA's sponsorship or support of the outside employment or activity.
- f) Competes either directly or indirectly, with LDWA in the purchase or sale of property or property rights, interests, or services, or, in some instances, competes directly for the same external use of LDWA's resources (for example, staff or contracts) for personal purposes.
- g) Discloses or exploits information pertaining to LDWA's business for the personal profit or advantage of such person or a family member of such person or a person/entity with whom he or she has an agency relationship.

SECTION 5. DISCLOSURE, RECUSAL AND ABSENTION

The Following procedures shall apply to conflicts of interest.

- a. **Disclosure.** Whenever any board member or the general manager has a conflict of interest or a perceived conflict of interest with LDWA, he or she shall notify the board president (or vice president, if the president is the conflicted party) of such conflict in writing.

Whenever any staff member (paid or volunteer) has a conflict of interest or a perceived conflict of interest with LDWA, he or she shall notify the general manager of such conflict in writing.

- b. **Recusal and Abstention.** When any conflict of interest is relevant to a matter that comes under consideration or requires action by the board, the interested person shall call it to the attention of the board president and shall not be present during board discussion or decision

on the matter. He or she shall not participate in any manner in the decision or deliberations regarding the matter under consideration. However, that person shall provide the board with any and all relevant information on the particular matter.

- c. **Record.** The minutes of the meeting of the board shall reflect that the conflict of interest was disclosed, that the interested person was not present during discussion or decision on the matter and did not vote.

SECTION 6. CERTIFICATION AND ANNUAL REVIEW

A copy of this conflict-of-interest policy shall be furnished to each board member, officer, and staff member who is presently serving LDWA or who may become associated with it.

This policy and its application shall be reviewed by the board of directors annually to assure compliance with the continuing responsibility that persons subject to this policy have relating to their transactions and outside business interests and relationships in order to avoid potential conflicts of interest and make required disclosures.

Each person subject to this policy shall sign a statement on forms supplied by LDWA which, at a minimum, affirm that such person:

- a) has received a copy of the policy;
- b) has read and understands the policy; and
- c) has agreed to comply with the policy.

Such statements shall be maintained on file in the Company's Office.

LEEDS DOMESTIC WATERUSERS ASSOCIATION

By: 

Donald Fawson, LDWA Board President

06/21/2023

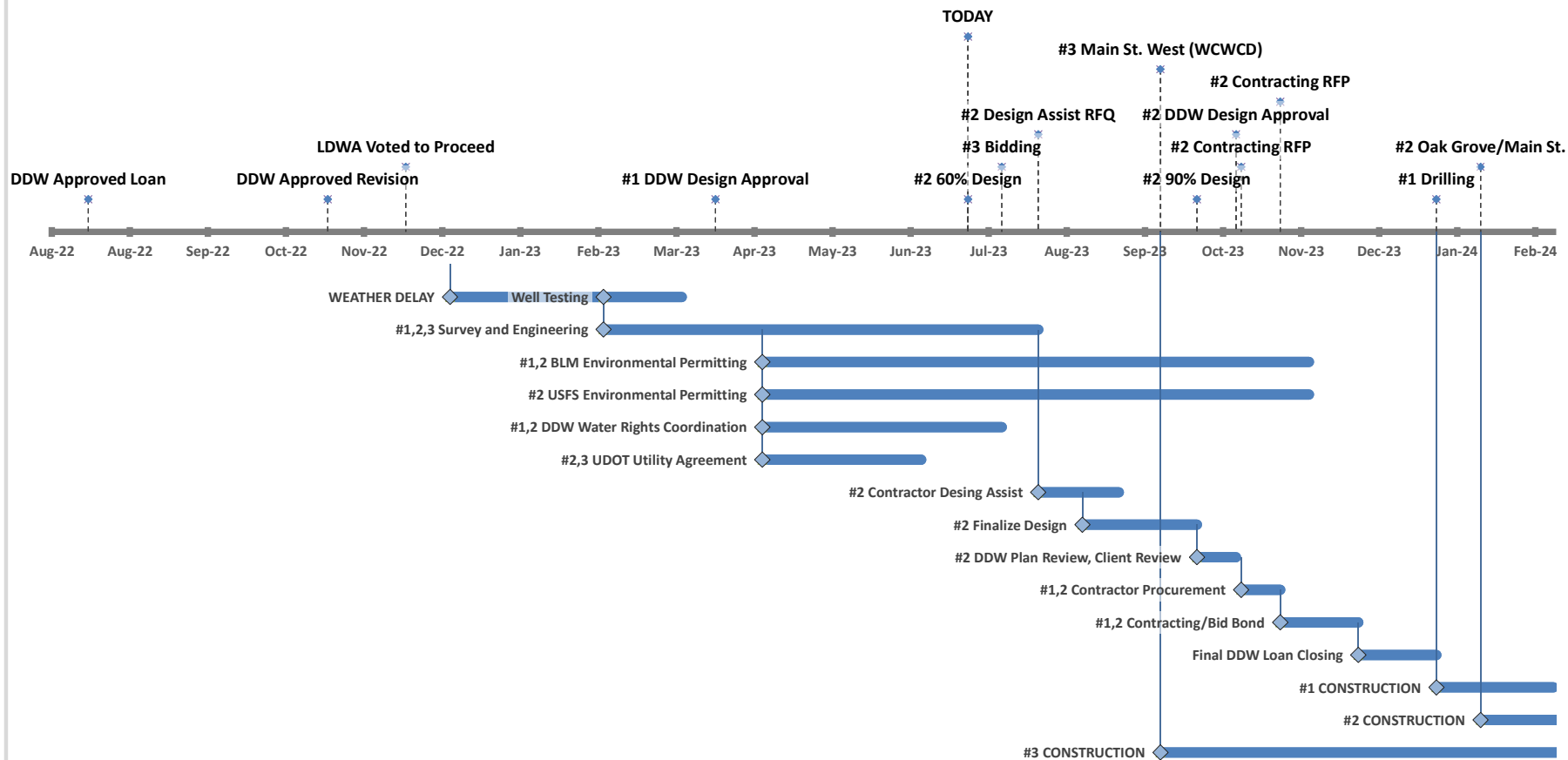
Attested and recorded

By: 

Layna Larsen, LDWA Corporate Secretary

06/21/2023

LDWA Project Schedule





LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2. ANNOUNCEMENTS

- a) Consent Agenda
 - o Acknowledgement of Meeting Notice
 - o Vote to Approve This Meeting's Agenda
 - o Vote to Approve Previous Meeting Minutes

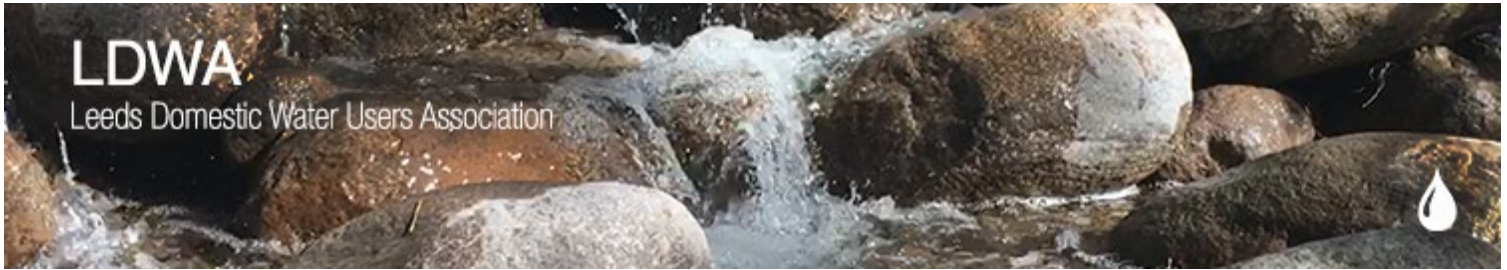
3. OFFICERS REPORTS

- a) President's Report [[Don Fawson](#)]
- b) Operations (Field) Report [[Mark Osmer](#)]
- c) Office / Finance Report [[Doris McNally](#)]
- d) Administration Report [[Kurt Allen / Don Fawson](#)]
 - o Update on System Project

4. SHAREHOLDERS COMMENTS

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)

5. ROLL CALL VOTE TO CLOSE MEETING



MINUTES

DATE/TIME/LOCATION:	August 16, 2023	7:00 PM.	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen (Corporate Secretary)		
ATTENDEES:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T), Brant Jones (M) Alan Cohn (M) attended by Phone Staff: Layna Larsen (Corp Secretary) Mark Osmer (Field Op Mgr) Shareholders: Susan Savage, Robert McNally, Michelle Peot, Cynthia Neubauer, Terry Allen Guests: Steve & Tracie Laski (Silver Eagle Estates)		

Agenda Topics

I. CALL TO ORDER [Don Fawson @ 7:00PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	PRESENT: Don Fawson, Kurt Allen, Doris McNally, Brant Jones, *Alan Cohn (dial in)
PRAYER	Brant Jones
PLEDGE	Don Fawson
CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously

II. ANNOUNCEMENTS [Don Fawson]

DISCUSSION	AGENDA OUTLINE
Don Fawson - I'm going read tonight's agenda. First, we will do the President's Report, then Mark will give his report, Doris will give the Financials, Brant will give his report, and Kurt will give us an update on the Projects. Then Susan has some questions and update on Water issues, and it Looks like Silver Eagle	

Estates is here to give us an update or have a request, then the Shareholders Comments. We will go in that order

DISCUSSION	DECLARATION OF ANY CONFLICT-OF-INTEREST		
Don Fawson - Before we begin, we'll also ask Board Members is they have any conflict of interest relative to tonight's meeting.			
CONFLICT	Alan Cohn - No conflict Don Fawson - No conflict	Brant Jones - No conflict Kurt Allen - No conflict	Doris McNally - No conflict

III. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	CROSS CONNECTION SURVEY
Don Fawson - There has been a number of questions relative to the Cross Connection survey that's been mailed out. At the bottom it talks about RP, PVB's and SVB's. We just want to say that if you don't know what they are, you probably don't have one. It is our intent to post some information on our website to try to clarify what they are, what they're used for, and so forth. So, we'll get that information out to you.	

DISCUSSION	NEWS ARTICLES
<p>Don Fawson – I came across a couple of News Articles today on KSL. One had to do with the with the Washington County Water Conservancy District 20-year plan. I don't know if any of you've seen that. It came into our office email.</p> <p>Doris McNally - It's on the Washington County Conservancy's website, so you can download it from there.</p> <p>Don Fawson - It talked about conservation, including raising water rates, but it also talked about storage. So, they're obviously looking at completing the reservoir at Anderson Junction, I think they call it the Toquerville Reservoir and another Reservoir over in Cane County. It also talked about taking wastewater and storing it in a reservoir during the wintertime when it is not being used, instead of running down the river and not being able to access it during the summertime. It also talked about a buyback program for grass. I think it's really interesting that we have a couple of sod businesses in the area. It's kind of an interesting conflict, they are growing sod and installing and on the other hand the conservancy is buying it back.</p> <p>Don Fawson - (Directed to the Board members) So, did any of you have a chance to read that article? Did anything stand out to you on that?</p> <p>Brant Jones - Just a couple things relative to water conservation that needs to be Looked at. We are living in the desert, and we need to be considering how to reuse the water that we have. I've talked to a few people in Town about possibilities of combining that with the agriculture too, where its reclaimed and reused in agriculture.</p> <p>So, some of those possibilities brings up a lot of concerns. I've got a friend that's right over next to the Ashcreek Sewer District and there is a considerable smell in the summer months over there. There's a price to be paid by a surrounding community that needs to be considered if we run all our water to</p>	

someone else to reclaim, or maybe there's some possibility that we reclaim it and use it somewhere for agriculture here. Those are just thoughts, nothing came from it, it was just an interesting article.

Doris McNally - Don, I thought what was interesting, was that they were talking about hydraulics, that there is a large quantity of water rights that are being held up because of geological and hydraulic studies that have to be done and they're hoping to be able to get those rights freed up. So, I think that's interesting and just the tone of; "If the water isn't currently being used, it needs to be accounted for." I think that's something we need to watch for going forward.

Don Fawson - I agree. The other thing it talked about was the Cottom Wells at Anderson Junction. That is something we need to be concerned about as well as the Sullivan Wells and some of the other wells in our area. They're also talking about the possibility of taking wastewater and cleaning it up and putting it back in the culinary. They are doing that in Las Vegas. So that's even a possibility down the road, but obviously that kind of thing is very expensive, but I thought that was interesting as well.

The other article had to do with the town between Brigham City and Logan. In the town of Mantua (pronounce man-a-way) the well just went down. So, they basically told people, no outside water use, don't be doing any laundry, they didn't say anything about showers yet. I don't know how they're getting their water. I actually, called Tim and Brooke Lloyd, who used to live across the street from me. They moved up to Mantua, and he said he didn't know where they were getting the water, and there is obviously concern about their water emergency. That's one of the reasons why we feel it is so important to drill the second Well. We need that backup well in case our one Well goes down we have the other one to rely on. We don't have to wait for a driller to replace a pump, or in the case of a cave-in to get permits, find a driller, drill and equip a new well. With supply chain shortages this could be catastrophic for the Town.

Brant Jones - The other thought I had as I looked at all the studies is that Leeds is kind of the rose in the desert for the West and it is projecting Washington County to grow like crazy and to continue to grow. In consideration of Wells being drilled, we need to consider our Town and how far we stretch the water that we know that we do have and consider shareholders and say, at what point do we just cut people back, back, back and charge more, more, more until they just dry up the property that they have. You know when people move here they have an expectation and buy into a company with water. Like the house I bought; I didn't build it, I bought, and it was already set up with a big lawn and lots of trees and bushes. It's a beautiful place. But I paid for the water shares for the way they were and then overtime those were cut back and gratefully we were able to find some irrigation shares, or we could be drying up our yard. I mean, I guess the National eye might say, yeah, you guys live in the desert, and everybody should have the desert gravel yards and cactus, but that's not the house that I bought, and I think you'll find a lot of our shareholders might feel the same way. So, just a caution about not stringing it so thin; if we try to make accommodation for everybody to have part of the rose then the rose will not survive.

Doris McNally - Don, I would recommend putting both the articles as attachments to the minutes. I mean, I think they are worthy to be as attachments to the minutes.

Don Fawson - Anybody have any objection to that? Layna please put an attachment or a Link in the minutes. (Links below, and as links change pdfs of articles are attached)

KSL Article Link: [Here's how Washington County plans to meet a growing demand for water](#)

KSL Article Link: [Mantua residents asked to restrict water use after well failure](#)

I think the challenge Brant to what I'm hearing Washington County Conservancy District saying and that maybe the State is supporting; is that we do have water rights above and beyond what we currently are using and there are one of two ways it is going to get used. They are either going to be confiscated and used somewhere else they are going to be used here. We have to have a plan to be able to actually put those into use. So, it is a challenge. It really is.

Brant Jones - Yeah, and then the balance to realize that water right doesn't necessarily mean water. The Right is the cup, the water is what goes in the cup, so just make sure we don't keep allocating water until it's gone.

Allen Cohn - I agree with that. Just because we have water rights, there has to be wet water behind it.

Don Fawson - That is true, I guess only God knows how long that's going to work out, so we'll do the best we can with within the scope or knowledge of what we have at the particular time.

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
<p>Mark Osmer - OK, so we passed our BacT test again this month which is good.</p> <p>I've been helping people with their Flume 2 devices. We've had a couple of issues with Flumes, batteries, connecting them up and doing different stuff. I've been doing that.</p> <p>Then I did the general running of the system and checking everything, checking all the PRP's for correct PSI. And that's about it.</p> <p>Kurt Allen - Mark, did you get the road going up to the Tanks and Well surfaced?</p> <p>Mark Osmer - Yeah, we got it graveled up to the two little green tanks. We have to move some dirt so I'm going to move some stuff up there and then carry on down the road. Yes, we got all that graveled and now when you drive through the gate, it's not a great big dust screen going over that person's house.</p> <p>Don Fawson - OK. I also think you mentioned that you got the ladder in the lower Spring_meter vault.</p> <p>Mark Osmer - Yeah, we put the ladder in the vault at the Spring meter down on the Y, so we can access to read that easily.</p> <p>Don Fawson - And you're going to start flushing hydrants again next week.</p> <p>Mark Osmer - Next week we're going to start flushing hydrants. We haven't done them so far because it's been so hot. People have been using a lot of water and I didn't want to waste-water. So, hopefully it will cool down a little bit, so we can start flushing.</p> <p>Don Fawson - I understand, however, no matter when we flush them you're going to consume water. But the point here is that we have the capacity right now during this summer, due to heavy rain and snow last winter, to go ahead and flush the hydrants without putting stress on the system. (Directed to Shareholders) So if you see this happening out there, please understand.</p>	

DISCUSSION**THE SPRING :: WATER VOLUME**

Kurt Allen - Mark, how is the Spring doing, have we been using the well very much or not?

Mark Osmer - No, we just used the well once.

Kurt Allen - We only turned the Well on once and the Spring has been supporting the system.

Mark Osmer - Yeah. (Extremely unusual and only because LMC is able to meet their requirements because of a very unusually high water year are we able to use the entire Spring flow)

Kurt Allen - That's awesome.

Mark Osmer - Yeah, the Spring's running about 250 gallons a minute. So that's good.

Kurt Allen - It's wonderful, Thank you, Mark.

DISCUSSION**GIS**

Mark Osmer - I worked with Tad Spencer with Jones and DeMille. We GIS'd all the meters around Town so every single meter in town is in the GIS system. So now we have a GPS reading on every one. We had to excavate a few of them because bushes have grown over them, one got buried under a driveway, and someone else had some work done and piled like 5 tons of gravel on it. So we had to move a bunch of stuff to expose those.

Don Fawson - Didn't you also GIS the hydrants and valves as well.

Mark Osmer - We did some of them, not all of the hydrants, but the ones that were missing from GIS. Yeah, we did locate valves and hydrants that were missing as we were driving around.

Don Fawson - And then you also worked with Tad to make other needed changes on the actual system as opposed to what we've had in the past.

Mark Osmer - Yeah, there was a pipeline that came across the freeway which wasn't actually there and there were a couple of pipelines that were marked in the wrong place. So, we got those all changed as well.





Don Fawson - Perfect. We appreciate that.

Mark Osmer - We are just waiting to hear back from him and hopefully he'll have entered all the data on the map and everything will be correct and updated.

Doris McNally - Thanks Mark. Just an additional comment, the work that Mark did with Ted from Jones and DeMille was no small project. We have over 415 meters in our community so each one of those meters were actually read and captured longitude and latitude information in our GIS. There was at least 20% of the hydrants data that needed to be confirmed. Acknowledgement to Mark and Tad for the good work that they did, but it's amazing that now we have that in our system and it's going to be very helpful for us in the future.

Don Fawson - Thank you, Doris. We appreciate all the work you're doing to integrate that information. Doris, do you want to go report on the financials?

c) OFFICE FINANCE REPORT [Doris McNally]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]
<p>BILLING Billing for July was completed and mailed on August 1st.</p> <p>NEWSDRIPS The July Invoices included an article on PayClix, our online bill payment solution with e-checks or credit cards.</p> <p>Based on the feedback from the Board on the draft articles I proposed for the August invoices, I'd like to MAKE A MOTION to approve the Article for the upcoming September Invoice production run, reminding shareholders to complete the cross connection/backflow survey we recently sent out.</p> <p>We sent out all the required surveys to all shareholders and we now need to push for reply to this important requirement from the Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ).</p>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">  <p>LDWA News Drips</p> <p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly. • To report an EMERGENCY water leak or a loss of water PRESS 1 • For a BILLING INQUIRY, PRESS 2 • For a GENERAL INQUIRY, PRESS 3</p> <p>Your message is immediately routed, and a LDWA representative will be in contact.</p> <p>Email LDWAcorp@infowest.com</p> </div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> <p>Online Bill Payment with e-check or credit card</p>  <p>Paying your water bill online with PayClix.com</p> <p>Your LDWA water bill can be paid online through PayClix.com. PayClix is a secure, fast online payment portal where you can use your computer, smartphone, or tablet to pay your bill on-the-go and make payments anytime, anywhere. For both online and mobile payments, you can pay via automated transfer from your credit card, debit card, or an E-Check.</p> <p>You can pay by phone: (866) 729-2549. Talk to a Live Representative who will assist you. (Monday through Friday from 7:00AM – 3:00PM MT) or you can pay online @ payclix.com/LDWA.</p> </div> <div style="border: 1px solid black; padding: 5px;"> <p>REMINDER!!!!!!</p>  <p>By now you have received the survey we sent to be in compliance with the State of Utah Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ). To those who have responded to the survey, Thankyou.</p> <p>To those who have not, it is very important you do.</p> <p>By maintaining compliance with DDW/DEQ regulations you help keep our Water Company "safe & independent"</p>  </div>
<p>VOTE</p>	<p>MOTION TO ACCEPT PAYCLIX ARTICLE: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously</p>

DISCUSSION	FINANCE [Doris McNally]																																																																																																					
<p>PAYCLIX In July we had 81 shareholders pay their bills using this payment option. The total amount collected through PayClix was \$7,944.39. With 60% paid via credit cards & 40% via e-checks.</p> <p>FINANCE [July 2023]</p>	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Credit Cards</th> <th colspan="2">Electronic Checks</th> <th colspan="2">PayClix®</th> </tr> <tr> <th>Count</th> <th>Credit Cards</th> <th>Count</th> <th>eCHECK</th> <th>Count</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr> <td>Jan-23</td> <td>39</td> <td>\$2,042.98</td> <td>26</td> <td>\$1,448.97</td> <td>65</td> <td>\$3,491.95</td> </tr> <tr> <td>Feb-23</td> <td>42</td> <td>\$2,686.29</td> <td>27</td> <td>\$1,050.32</td> <td>69</td> <td>\$3,736.61</td> </tr> <tr> <td>Mar-23</td> <td>47</td> <td>\$2,156.00</td> <td>29</td> <td>\$1,593.07</td> <td>76</td> <td>\$3,749.07</td> </tr> <tr> <td>Apr-23</td> <td>45</td> <td>\$2,267.30</td> <td>28</td> <td>\$1,130.00</td> <td>73</td> <td>\$3,397.30</td> </tr> <tr> <td>May-23</td> <td>45</td> <td>\$2,664.39</td> <td>30</td> <td>\$1,703.07</td> <td>75</td> <td>\$4,367.46</td> </tr> <tr> <td>Jun-23</td> <td>49</td> <td>\$3,267.88</td> <td>28</td> <td>\$2,453.49</td> <td>77</td> <td>\$5,721.37</td> </tr> <tr> <td>Jul-23</td> <td>49</td> <td>\$4,755.93</td> <td>32</td> <td>\$3,188.46</td> <td>81</td> <td>\$7,944.39</td> </tr> <tr> <td></td> <td>316</td> <td>\$19,840.77</td> <td>200</td> <td>\$12,567.38</td> <td>516</td> <td>\$32,408.15</td> </tr> </tbody> </table>			Credit Cards		Electronic Checks		PayClix®		Count	Credit Cards	Count	eCHECK	Count	TOTAL	Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95	Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61	Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07	Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30	May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46	Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37	Jul-23	49	\$4,755.93	32	\$3,188.46	81	\$7,944.39		316	\$19,840.77	200	\$12,567.38	516	\$32,408.15	<table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th></th> <th>% to TOTAL</th> </tr> </thead> <tbody> <tr> <td style="background-color: #d9ead3;">Total Net Ordinary Income:</td> <td style="background-color: #d9ead3;">\$45,193.82</td> <td></td> </tr> <tr> <td>Total Ordinary Operating Income:</td> <td>\$42,148.51</td> <td>93.3%</td> </tr> <tr> <td>Total Other Operating Income:</td> <td>\$3,045.31</td> <td>6.7%</td> </tr> <tr> <td style="background-color: #d9ead3;">Total Net Ordinary Expense:</td> <td style="background-color: #d9ead3;">\$25,505.50</td> <td></td> </tr> <tr> <td>Ordinary Field Operating Expenses:</td> <td>\$9,369.76</td> <td>36.7%</td> </tr> <tr> <td>Ordinary Admin Operating Expenses:</td> <td>\$2,788.79</td> <td>10.9%</td> </tr> <tr> <td>Professional Operating Expenses:</td> <td>\$5,788.00</td> <td>22.7%</td> </tr> <tr> <td>Labor Expenses:</td> <td>\$7,558.95</td> <td>29.6%</td> </tr> </tbody> </table>						% to TOTAL	Total Net Ordinary Income:	\$45,193.82		Total Ordinary Operating Income:	\$42,148.51	93.3%	Total Other Operating Income:	\$3,045.31	6.7%	Total Net Ordinary Expense:	\$25,505.50		Ordinary Field Operating Expenses:	\$9,369.76	36.7%	Ordinary Admin Operating Expenses:	\$2,788.79	10.9%	Professional Operating Expenses:	\$5,788.00	22.7%	Labor Expenses:	\$7,558.95	29.6%
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The LDWA's Banking Accounts [as of 08/10/2023]

CHECKING ACCOUNT	\$36,679.86
SAVINGS ACCOUNT	\$267,434.91
EMERGENCY REPAIR & MAJOR PROJECT RESERVE	\$182,148.17
DDW LOAN #3F138 FUND	\$24,735.18
IMPACT FEE ACCT	\$60,551.56

VOTE

MOTION TO APPROVE THE REPORT AS PRESENTED: Doris McNally | SECOND: Kurt Allen
MOTION APPROVED: Unanimously

d) ADMINISTRATION REPORT

DISCUSSION

UPDATE ON LWC [Brant Jones]

Brant Jones - The only thing that I have is I did talk to the LWC Board, which is the irrigation company. They were not unified relative to taking the weir out, they have some other concerns. One of the main concerns was if we send more water down an 8-inch line does that change our water diversion, which is not legal. For us to do that we would have to go approach Nathan Moses, the State Water Engineer in Cedar City. We're not sure if that will be a problem but that is part of the concern. The other part of the concern that they have is with the carrier water that is needed to bring the rest of the water down to the intake for the irrigation water. So, there's some mixed feelings that we're working on. Some of the Board is out of Town so we don't meet monthly. We are running about 30% for our meetings this year. So, it is a slow process. Also, the LDWA/LWC agreement is needs to be simplified. I think that you're aware that it has just got to the point where there's so many numbers, it just needs to go back to the to the original State Law so if it's a low water year, then we can all refer to the chart Nathan created and decide how much goes through the weir and how we want that to work.

Don Fawson - I agree. And I think those other questions are good. I think that you will find you already have the diversion rights at the Spring. It doesn't specifically say how much water can come out of the Spring. LDWA has our share and the rest becomes part of the Full System Flow of which LWC has a part. I think we do need to have another group meeting with Nathan if we can set that up. I think the timing really depends more on your group than LDWA.

Brant Jones - For sure and we have one Board member in California and another one in Alaska. Right at the moment anyway.

Don Fawson - Yes, Tom Beach mentioned maybe the first weekend in September which is coming up, may work for him. Also, we would like to take the LWC Board on a tour up to the Spring to show all of you exactly what's going on with that weir and the meter. And also show you where the secondary Spring meter is located. This will allow you to look at Spring flow during the wintertime and not have to travel up to the Spring. We also want to get you a key to the Forest Service Gate. The more of the LWC Board we can get together the better so we are all on the same page.

Doris McNally – Brant, at the last meeting we talked about possibly putting on our website a phone number or contact information to direct interested parties to your website. The offer is still on the table because we still do get a lot of LWC phone calls. So, if there's a phone number and/or e-mail address we and post we are happy to do so. We don't have to put phone numbers if there's an e-mail address, we can direct people to reach out to it would be helpful to both organizations. I just hate to keep giving them your phone number.

Brant Jones - That phone number is fine. They leave messages and I return them.

Don Fawson - So we can put your phone number down for LWC on our website. That's good, appreciate that.

We will skip to Kurt for any project updates. Also, I had a question relative to our last meeting. Ron Cundick was present and there was talk about the possibility of you giving an update report to the Town on the LDWA projects. Did that ever happen?

Kurt Allen - I never heard from Ron or anybody to invite me to the Council Meeting. Maybe I need to be a little bit more proactive in getting on the agenda and making that happen. So, I'll do that. I will get on the agenda.

Doris McNally - You know, Danielle Stirling has openly talked about the desire to make that happen. So maybe the best person reached out to would be Danielle to facilitate with council.

Kurt Allen - And she's in Alaska, right?

Doris McNally - No, she was actually here.

Kurt Allen - Is she here?

Doris McNally - Yeah, I saw her the other day.

Kurt Allen - Oh. OK, I'll reach out to her.

DISCUSSION

PROJECT UPDATE - WCWCD [Kurt Allen]

Kurt Allen – The first project I want to talk about is the Washington County Water Conservancy District Main Street pipeline project since that's a little bit ahead of our LDWA projects. WCWCD has let out their bid for a contractor which would include their 24-inch line as well as our 10-inch line LDWA's partnering with them on. They had a mandatory pre-bid meeting of all contractors and nearly 20 contractors showed up. That is a great turnout and typically a large turnout to a pre-bid meeting means a lower price and of course we are interested in getting a good fair price. So, it was pretty exciting in that way. I think the reason that is happening is because of the timing of their bid advertising and that the job will start in October/November which is perfect for the contractors from up North to slip down here and have a little bit of winter work. So that's why you're seeing a lot of contractor's interest in this. The bid opens on the 28th, which is next week, and it will be interesting to see what we'll be able to report at our next meeting what our costs are going to be as far as installation. We already know what our material costs are and so we'll be able to hone in on what our financial obligations are going to be for that 10-inch line on the West side of Main Street.

DISCUSSION

WELL

Kurt Allen - The priority project that we are working on currently is trying to get the drilling started on the new Well. The well site has been chosen and that was due to test pumping being completed in our existing well. Based on that outcome, the decision was made that the aquifer would support the other well in the near vicinity of our existing well. So, the new site is just southwest of our existing well. We're

excited about the strength of our aquifer. The test pump was 650 gpm for 24 hours and the draw-down was less than 12 feet, which is a very small amount. We are excited about that. The BLM permitting process is time consuming but in process now. We haven't acquired the permit from the BLM yet. We're hopeful that's going to come through soon and enable us to get that bid out and start drilling. Hopefully, by the first of October within a couple of months here. We too will let that contract out for bid and advertise it throughout the State and probably adjoining states and look for a well driller that is qualified to do the job and has the right price. I'm suspecting that we're going to get a lot of interest in that as well for winter work for a well drilling company.

DISCUSSION	SPRING LINE
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Kurt Allen - The main project that includes the Spring Line, East Main Street, and the Well House will be bid out around November and we're hopeful to get started on that as well. We'd like to have the contractor begin that by the first of the year. We are doing our Cultural Studies with Forest Service and Environmental Assessment Studies and working to get the Forest Service permits. Having the Spring Line on the Forest Service ground and the Well on BLM property has made it a challenging effort to try to get permits from both of those entities.

DISCUSSION	EAST MAIN STREET
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Kurt Allen – Working on Main Street involves UDOT and we've been successful in getting UDOT bonding in place and an overall maintenance permit from UDOT to be able to maintain our own water line within the right of way. So, there's a lot of positive things that's come from the efforts so far and looking forward to getting these out to bid and getting started on it.

Don Fawson - Thank you Kurt, really appreciate that. The waiting game is a little frustrating based on this permitting process, but is necessary.

OK, at this point, let's go to Silver Eagle Estates. Steve, I guess you're concerned about getting things signed?

DISCUSSION	SILVER EAGLE ESTATES
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Steve Laski – Yes, we can wait until the end of the meeting, or whatever is convenient for you guys.

Don Fawson – We've gone through these plans and we'll be glad to do that after the meeting.

Steve Laski – Whatever works for you.

Kurt Allen – Steve, I've got a question. We thought we had the Mylar, and it looks like you've got it in your hands.

Steve Laski – I have and I also brought two copies of the development agreement in case we need additional copies.

Kurt Allen – I'm glad you have it because we were worried that we had misplaced it.

Don Fawson – Susan do you have anything to report relative to water?

IV. SHAREHOLDERS COMMENTS

DISCUSSION	COMMENTS
	<p>Susan Savage - Well, I have a few things I'd like to comment on.</p>
	<p>Don Fawson - I just might mention that I had talked to Susan a few months ago since she seems to be aware of what's going on water with water in the area and asked her if she wouldn't give us a report at our Board meetings.</p>
	<p>Susan Savage - Doris had helped me get connected in order to receive notices of applications from the State, and so we received a notice of the LDWA's application for a bunch of water rights to be moved into the Well. I went through those and the comments from the State and it looks like three of those are from Hogan Springs, which involves a surface to underground change. One of those is under dispute. And then the other three are coming from Dixie Springs and the sewer lagoons areas. I compared those to the rights that we researched in the Spring. I didn't see those numbers on that list and so I wondered if they are new or what they are?</p>
	<p>Don Fawson - I don't know specifically what you're talking about. I know we've had Riley Vane (Jones and Demille engineer) involved with going through all of our water rights and verifying them with the State because, in the past, it's just been assumed they're all fine. We wanted to verify that.</p>
	<p>Susan Savage - So, we'll probably protest that. We're concerned with bringing the water rights from an area that's so different.</p>
	<p>Don Fawson - Which do you mean? From Hogan Springs or what are you talking about?</p>
	<p>Susan Savage - Particularly from Dixie Springs and Sand Hollow.</p>
	<p>Kurt Allen - I don't believe we are bringing any new water rights over. What Don is referring to is verifying that the water rights that we currently have are correct.</p>
	<p>Susan Savage - That would be the question that we have, because they're not part of the State's declaration of approval that Nathan took me through before. Maybe Riley's found something else. But I went through all those and identified the rights in the Spring. I have spent my life going through all of those and researching where they came from and so on and Nathan took me through that complete list, and these were not on that list. So that's the question that we have.</p>
	<p>Kurt Allen - I see Susan. We support you and your efforts 100%. I think that we need to maybe spend some time with Timothy who has been doing the investigating for Jones and DeMille. He's with the Division of Water Rights and he's been working with Jones and DeMille on verifying these water rights. So, I think we need to bring you together with him so the two of you can talk.</p>
	<p>Susan Savage - That would be great. The change application is moving to change the point of diversion from those areas into the LDWA well. That's how it reads to me. You know this is an interesting situation that you're having that investigated and we all want to understand that if there's no water coming in. One of the questions that I had as new rights are moved into the LDWA Well, What happens when maybe that Well is maxed out or you get to a point where it isn't wise. How do you decide that, to move more rights in? If we moved a lot of rights in from somewhere else and then what happens if there are people</p>

in our area that want to move their water? Our neighbor, for example, just bought the property next to us, we don't know what they'll do. But they've had irrigation water and so, supposing that they changed their minds on keeping the irrigation and they wanted to apply to LDWA to transfer some of their water into the LDWA Well, and it's already used up with rights that have come from outside of the area. It's a complicated thing.

And your test pumping right now, although we know it takes time for the water to move and we don't know how much time that is. You know the WCWCD said to Alan Howard that it takes 35 years or something for water from High Valley Mountain to move down to the springs, but the Federal government a few years ago did a study on it and said five years and they used fluorocarbons and whatever they use. So, nobody really knows that. But your test pumping on the Aquifer right now is happening during a good year and if the Quail Creek is feeding that aquifer, then that can change as well. You know our well has changed a lot and interestingly just lately it's come up without a foot and half. So, you know, whatever's happening.

Don Fawson - So, let me just make a comment on that, our capacity study included all of these rights. These rights were ones that we thought were just all fine and it's been Riley's going through that and finding out where they actually are that actually revealed they haven't been officially transferred in according to State records. So, what we're trying to do is clarify that. So, this would not actually be adding anything to our paper rights that we didn't already think we had, but it would be correcting that paper trial. As far as the Well, the interesting thing about that is the level in the well had not changed - Summer, Winter, Drought or not, at least up to this point, and Mark can verify that. So, we are confident that the aquifer is pretty solid right now. We can't guarantee that, but we feel confident it is. But we support you and I think that if you feel you need to protest or whatever, then you need to do that.

Susan Savage - Well, a protest and the hearing gives us a chance to hear all sides of it. Have the State clarify that. But you have the story of Mantua whose Well has failed.

Don Fawson - I don't think so, I think it was the pump that failed. So, they just have to pull that out and put a new pump in. So, they're going to be down for a little while.

Susan Savage - We just had an occasion for a lot of family to come in. Brant's older brother who's in Arizona and who keeps up on things down there, and in fact also my brother-in-law in Texas knew about this. He just said that there's an area by Scottsdale where it seems like the supply of water was a little cavalier for that area, because there are a lot of multi-million dollar homes that have been built and then the water disappeared. And so, then they started trucking in water from Phoenix and Scottsdale to supply them and now Phoenix is saying we're not going to sell them any more water. So, this is a thing as I mentioned last month, that as I listened to the Councilman in Ivin's, you had asked me to send you a link and I don't know if I did.

Don Fawson - You did

Susan Savage - The Councilman over said there are two scenarios: there's the eat well and the sleep well way of planning.

The eat well way you're saying let's not disturb the economy and let's keep growing. We don't have the water, but we think we will have it by the time we need it.

And the sleep well is saying let's find the water, make sure we have it before we commit to new homes.

So, this is complicated, this whole thing is just really complicated. So somebody else is in charge of the water. So, this is what these articles saying about Lake Powell, you know, they say people have just refused to put any question marks beyond the Lake Powell Pipeline. They just said absolutely it's going through, although we could all see that things are changing. So, in the article it's saying yeah, and then they talk about, maybe we better put that on the back burner, kind of like the Warner Valley project that we've heard about for as long as I can remember you know that is still on the drawing boards and has never happened. So, the Lake Powell pipeline will stay there. So, with all the growth in the area I think the article was saying has depended so heavily on the Lake Powell pipeline and now the WCWCD is saying where can we find water, they're looking at the deep Wells and so on to try to find water.

Another thing I have on my list here was that article says that they're going to expand their use, enlarge their use or something with the Cottam Wells and in the Sullivan Wells. OK, so they have had two main Cottam Wells out there and the last time when they applied for a third well and we protested then they said, "Oh, this is just a backup well." But now they're saying we're going to expand the use of all that. So, people are planners in crunch time. You know and I know that we live in the in the desert. Brant Jones talks about the rose in the desert. It just seemed to me like we go strongly in one direction and in planning we need to think about all the elements, heat islands for example, you know it's certainly wise to use desert wise planting, but if you eliminate all of the green, then you've got another issue, then you've got to heat islands. And just from our life, I just think, you know, when Dad planted the little orchard by the house it changed our whole lives, that little bit of moisture in the air. So, there's a lot of things to think about.

Also, we did file our request for reconsideration on the Ashcreek pipeline. And so, I will read this real short letter:

We are in receipt of the ORDER OF THE STATE ENGINEER to approve permanent change application number 81-351 (a48807) dated 13th of July 2023, and appreciate the care taken in addressing our concerns and the requirements included in the application's approval.

We request reconsideration of this approval based on the absence in the analysis of baseline data that would indicate what our local ground water, (Leeds / Anderson Junction) area was like before Ash Creek Reservoir was created and therefore help to project how the groundwater supply might change when the reservoir seepage is withdrawn.

We see the question of Seepage from the reservoir as critical because at the same time the Leeds / Anderson Junction area is being increasingly relied upon to sustain growth in Washington County, its recharge capability is diminishing. Pine Valley Mountain, long assumed to be the main source of recharge, no longer receives the kinds of consistent snowpack or the frequent summer thunderstorms that it did in earlier times and according to the WCWCD reports, the District continues to eliminate seepage from the streams flowing from the Mountain's base by enclosing them in pipelines.

Brant Jones - To follow up on that, I think it is important for us to consider, and Don, you mentioned only God knows how much water is on the ground and how much we will get from the sky. I do agree with that. But we also have to look at history. One of the biggest problems of the Colorado River drainage in the history of that drainage is that they created the water right divisions in a year that had an unprecedented amount of water. So, they've never really had that water even if you bring that the

pipeline over and they divide up every share out the Colorado River. There's not enough water in the Colorado River to provide all that. There are more shares than there is water there. So, they did a division in a year that has never been repeated. So, this is a really good year for water and we're saying our wells up a foot, but we're not really pumping the well, right. Then we're saying that the LDWA Well is really good and we just said we're not really pumping that either. So, I think we need to look at some history. We should look back at a decade where we had another stiff drought and see how we made it through that and how the Well's held up before we bring more water in and make more assumptions. Because I think we owe it to our shareholders and ourselves as shareholders just the respect and anybody if we don't, we might bring someone into this community who might build a multi-million dollar home and then find out we don't have water for them.

Don Fawson - You know I find it interesting. We've had, myself included, newcomers come into the town. I mean we were newcomers 55 years ago and so the question is... Who doesn't belong here? Who should leave? Or have we closed the door. I'm in now, so close the door, nobody else can come. And on the other hand, we have limited resources. We're not sure exactly what the limit of those resources are. So, it's really hard call, it really is. I know that based on the census, I think from the last couple of years, or last ten years, we received 10,000 more people in Washington County, so we're up to about 191,000. When we first moved here in 1971, it was about 14,000. (Leeds 155) So, it's an interesting dilemma, it really is. Yes Susan.

Susan Salvage - I just want to say I mentioned our well coming up a little bit just because it was interesting that the movement in that direction, but that was a foot and a half and it should have come up 30 feet to reach its original levels. One of our neighbors in Silver Reef who is a builder said, one of his friend's dad said; *"They have been saying for years that we were out of water, and look what's happened, we've been able to do a lot."* Yeah, guess where it came from. It came from that man who stopped farming, it is not new water. It is just repurposing something that was already there being used for something else. That's what's happened.

Don Fawson - Yes, that's very true and that is where Water Rights came from. Anyway, appreciate everybody's thinking on this because we need everybody's thinking about this. One of the things I just wanted to mention, I was going to do this earlier, but this is a compilation of the plumbing code relative to cross connection control. So, this is kind of the Bible, the State has adopted the International Plumbing Code and this book (Manual of Cross-Connection Control, 12th Edition, USC) comes from the University of Southern California as a synthesis of those things that have to do with cross connections. So, there's quite a bit to it, and if anybody wants to look at this, it will be in the Office.

Michelle Peot - Thanks Susan and I want to address some of her comments about the holistic availability of water here because in addition to the articles you mentioned there's been some recent articles on some of the huge developments that are going in, for example down in Ivins, the 680 acre golf resort and then southern shores, they're using huge amounts of water and as Alan mentioned, it's all just paper Water Rights, it's not Guarantee water. So, I do appreciate Susan keeping us informed and also protesting the water right, since all our water comes out of these interconnected aquifers. And just as far as how much the recent storms have brought up the level of Lake Powell, it's still at only 37% full. So, it's not like, we've completely undone all of the drought that's happened over the last decade.

And then one quick comment for Doris, I think a lot of us were like fixated on the survey and how much retrofitting we have to do, etc. Maybe with the reminder, if you could just add that it's kind of a data collection at this point so that we're not, you know, budgeting all of this.

Doris McNally - Appreciate that. I don't know if we had changed the wording, if we would have gotten the 20% response like we have so far. So, I'm happy for that and that's why, as Don mentioned, we're going to add more content onto the website. We had a few people ask us questions because they don't understand all the questions. That's where Mark has been kind enough to go out and talk to many shareholders. All of us have talked to individual shareholders and have walked them through the survey. So, if you have anybody in your community or if you hear of anybody who has a question, just aim them in our direction. And if you want Mark to come up and take a look at the properties, you know Mark can do that too and say this is what you need to do, this is what you don't need to do.

Michelle Peot - OK. Yeah, and that's what people's questions are, is it at this point to just collect data or are there planned actions around that information.

Doris McNally – Just data collection at this point. There are some situations where a cross connection scenario could occur. For example a LDWA culinary shareholder, who is also a LWC irrigation customer. Depending on how that shareholder configures their system a cross connection could cause an issue. So, in those cases, we may have some specific situation we want to look at, but we're not going to be micromanaging everybody's situation. We're collecting it because it is a requirement from the State and we're very pleased with the amount of content we've gotten from people.

Michelle Peot - Ok, Thank you. And then one quick question, what's the status of the Silver Point Will Serve Letter and if they did approve it as it was written?

Don Fawson - It has been approved. It was sent to me as a PDF the day before the last meeting and I didn't find it until recently. So, I've talked to Jared and told him we need a hard copy, but nonetheless, it was signed as written.

Michelle Peot - OK, thank you.

Don Fawson - The other thing I wanted to mention while we are just gathering data right now, we obviously encourage people if they would like to have more information on what they can do personally to take care of their own possible contamination issues that we'd be glad to help. One of the things that's really easy is the HBVB (Hose Bib Vacuum Breaker) which just screws onto one's outside taps. Some people already have them, some don't, and some don't know what it is. We'll try to put something online indicating where they can pick these up, what they look like, and so forth. So, I personally have two PVB's I installed on my place to prevent cross contamination from my irrigation system. It protects my system from my own self contamination.

Michelle Peot - Thank you.

Cynthia Neubauer - I was on the LDWA website and I thought it was really organized well. So, whoever is in charge of that, they're doing a really good job. I would just like to make a request that perhaps, like the Town Council, who always puts out an outline of the upcoming meeting, if that's something that could be done?

Doris McNally – As a privately held company we have a standing agenda. If we have topics that are more public oriented, what make a special change to the agenda. So, in the case when we talked about Silver Point Estates, we did have a separate agenda for that one.

Cynthia Neubauer - So if you have something big coming up that is where you will change.

Doris McNally - Yeah, if it is something that we want to call out as a special public meeting that's when we will do it that way.

Cynthia Neubauer - Just because we were discussing that 20-year plan from Washington County, I guess about two weeks ago St. George was on "60 Minutes." I don't know if you guys saw that, and Zachary Renstrom stated that Saint George could run out of water in 5 to 10 years because of the current growth.

And my other questions were about the backflow. So apparently, I don't have to worry about that now. So, my question was, is there like a main valve you can put on your shut off in your front yard or is it going to be on individual faucets?

Doris McNally - It's dependent on everybody's home. I mean, one of the things I usually recommend to people is a Pressure Reducing Valve because you don't want to have a situation where you are blowing your valves in your house. So, if once again, if you have a question about your property and if you'd like to have Mark come take a look at it, he can take a look at it very easily and say this is what we would recommend. The other thing that's very nice is that we have three plumbers within the Leeds Town that actually are certified in our cross connection and backflow, one being Alan Roberts, Scott Lawton and the other gentleman, his name just escaped me right now. But there are resources within the Town. If it's something that you can't do by yourself and you need to have a plumber, we can aim you towards somebody who's local who can do that for you. Does that make sense?

Cynthia Neubauer - Yeah, Thank you. And then my last question is? I notice on the survey it says that you're going to have to get your homes inspected annually. Will that be from an outside source, or will you guys be coming in or?

Don Fawson - Let me clarify that, basically for those RP's, PVB's, and SVB's. Those need to be inspected annually, but not by us. So basically, that is an outside certifier that comes in and actually puts a test meter on that device and sees if it is working properly and then you are required to send the results to LDWA.

Cynthia Neubauer - OK, so you would hire a plumber or somebody to come out and do that test?

Doris McNally - One of those certified people that I mentioned earlier. And the thing is, Don correct me if I'm wrong, but for the most part it's the larger commercial facilities and RV parks and things like that at this point that they are focusing on. So, it's not residential. You know, once again they're trying to protect the water from a governmental perspective so I would not be surprised within 10 years if they do roll it down to individual homeowners. It is a trend and we're trying to get people to get ahead of it. Believe me, we've gone to the rural water meetings and our little water company is considered one of the top in managing things like this, which is very pleasing to see. But there are towns that have twice or three times the number of customers we have and they're nowhere near where we are in getting in front of this. So, that's why the survey is important. We are just trying to raise people's awareness, get them educated, and identify where the bigger problems might be.

Cynthia Neubauer - OK, Thanks.

Don Fawson - Yes, I just might mention on the Cross Connection, we started with those entities that are the highest potential for possible cross contamination. And that would be places like the Town Mall over here, the plastics plant, the church, and the fire station, and some of these other places where there's a possibility where they're using chemicals or something else, as well as the trailer parks where there's a lot of different people with hose bibs here and there and whatever that could possibly have or create cross contamination. So, we've been working with them specifically over the last year and a half or so to get RP's (Reduced Pressure Principal Backflow Prevention Assembly) installed to protect our entire system. So, that's what we have been doing.

OK. Any other comments? questions?

Doris McNally - Good comments and questions tonight.

Don Fawson - We appreciate everybody being here and for the comments and questions that have been presented and with that if there is nothing else, I will accept a motion to adjourn.

V. MOTION TO ADJOURN MEETING

VOTE	MOTION TO ADJOURN MEETING: Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously
------	--

ADJOURNMENT: 8:05 PM



Layna Larsen / Corporate Secretary

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Here's how Washington County plans to meet a growing demand for water

By Logan Stefanich, KSL.com | Posted - Aug. 14, 2023 at 8:11 a.m.



A woman and her children play in the Virgin River on June 10, 2022. The Washington County Water Conservancy District recently published a 20-year plan to guide the county's water use. (Jeffrey D. Allred, Deseret News)

69



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Estimated read time: 6-7 minutes

This is undoubtedly true for Washington County, one of the fastest-growing areas in Utah and the nation.

A 2022 report from the U.S. Census Bureau said the St. George area's population [grew by nearly 10,000 new residents](#) between July 1, 2020, and July 1, 2021 — a 5.1% increase. The metro area — a statistical area that includes all of Washington County — grew to 191,226 residents, according to the report.

"None of the growth we've experienced would be possible without water," St. George Mayor Michele Randall said. "Although we've had a very wet year this year ... we still have a lot of challenges when it comes to water."


With this in mind, the Washington County Water Conservancy District recently published a [20-year plan](#) to guide the county to ensure it has the necessary water supply to meet the growing demands associated with an increasing population.

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In 2022, the county [banned "nonfunctional grass"](#) at new commercial, institutional and industrial developments — limiting grass at new homes under a new ordinance.

 The Desert Canyon development is shown on Aug. 11, 2021, in St George, Utah. St. George and the rest of Washington County have once again ranked as the fastest-growing metro area in America. A new report from the U.S. Census showed the local population growing by nearly 10,000 new residents between July 1 of 2020 and July of 2021, a 5.1% increase.

growing by nearly 10,000 new residents between July 1 of 2020 and July of 2021, a 5.1% increase. (Photo: Sean Hemmersmeier, Spectrum via AP)

The new ordinance — which also bars new golf courses unless the developers can provide their own nonpotable water source for irrigation and require secondary and reused water for outdoor irrigation "where available" — is projected to help conserve nearly 11 billion gallons of water over the next decade, according to the district.

Despite [enjoying state-leading levels of snowpack runoff](#), (an essential source of water for the region) drought conditions are starting to again creep up in southern Utah, with the [U.S. Drought Monitor](#) classifying Washington County as "abnormally dry."

So, just how does Washington County plan to protect and improve its water supply?

Lake Powell Pipeline problems

In 2022, the county created a Regional Water Master Plan that was heavily contingent on the Lake Powell Pipeline being in operation by 2035.

"While (the pipeline) remains a critical component for meeting Washington County's long-term water supply needs, a number of recent hydrological, environmental, and political issues impacting the Colorado River Basin have introduced uncertainty regarding the timing and yield of that project," said the plan.

Considering these hangups, the county is evaluating its alternatives when it comes to securing water supplies to meet the demands of the next 20 years — focusing on existing and future potable water supplies and facilities to meet demands.

Water conservation

In May, Utah Gov. Spencer Cox [issued an executive order](#) to have every state agency assess "its compliance with water conservation requirements for state facilities," including following the Utah Division of Water Resources' weekly watering guide.

"(Water conservation) is expected to generate about 11,400 acre-feet per year of additional supply, primarily through the district's lawn replacement program plus a variety of other measures, including reducing system loss, improving existing water conservation rate structures and installing advanced metering infrastructure meters," said the plan.

“Although we've had a very wet year this year ... we still have a lot of challenges when it comes to water.”

–St. George Mayor Michele Randall

The plan anticipates that average water use will gradually decline as a result of conservation measures, and while not certain, is definitely achievable.

Reuse water

The Washington County Water Conservancy District and its [Regional Water Supply Agreement](#) partners are also looking to lean on and develop regional water reuse systems to optimize water use in the county.

The regional reuse system will produce about 24,200 acre-feet per year of additional supply, through the construction of new treatment facilities, pipelines, and storage reservoirs to capture reuse water and put it to use for agricultural and irrigation purposes, freeing up water for drinking," said the plan.

Currently, the St. George Regional Water Reclamation Facility treats about 12.5 million gallons of wastewater per day from St. George, Washington, Santa Clara, and Ivins while the Ash Creek Special Service District treats about 2.7 million gallons of wastewater per day flow from Hurricane, La Verkin and Toquerville.

Reusing wastewater was also a [topic that was heavily discussed by Randall and other city leaders at the St. George State of the City address](#) in February.

Additionally, Randall said that the city would be retrofitting four oxidation ditches to give them the capacity to treat 24 million gallons of wastewater per day. Previously, the oxidation ditches only had the capacity to treat 17 million gallons of wastewater per day.

Water supply development

In addition to conserving water and finding new ways to reuse wastewater, Washington County is also looking for better ways to store it.

According to the plan, potable water development projects — including the new [Toquer Reservoir](#), expansion of the Sullivan/Cottom Wells, Cove Reservoir in Kane County, redevelopment of the Ence Wells and a well in Diamond Valley — will add around 4,800 acre-feet per year of additional water.

Storage was also a topic Randall and other city leaders touched on at the State of the City address, where Randall said that the city is planning to build a reservoir on city-owned property near Graveyard Wash off Old Highway 91 to store reuse water.

"It's going to store up to, I think, 12,000 or 14,000 acre-feet of water. During the winter, we can pump our reuse water up to this reservoir and save it for the summertime," Randall said. "Right now, we're just treating that water and sending it downriver to Lake Mead."

Municipal groundwater optimization

The municipalities within the county have about 6,624 acre-feet per year in water rights that are not utilized due to uncertainty about the reliability of the groundwater sources, but hydrologic studies referenced in the plan suggest that some or all of this water could be reliably available from year to year or with additional infrastructure investments.

Optimizing the region's municipal groundwater could add an additional 3,000 acre-feet per year to the county's water supply "if it is determined that the area's groundwater rights may reliably generate more supply than current working estimates," according to the plan.

The full 20-year plan with more details and information can be found [here](#).

[A tale of two regions: Why snowmelt runoff looks different in northern, southern Utah](#)
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Logan Stefanich is a reporter with KSL.com, covering southern Utah communities, education, business and military news.

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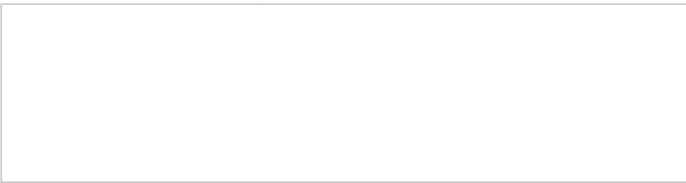


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Mantua residents asked to restrict water use after well failure

By Bridger Beal-Cvetko, KSL.com | Posted - Aug. 16, 2023 at 12:01 p.m.



The town of Mantua is asking residents to limit water use after a well pump failed Wednesday morning. (Mike Anderson, KSL-TV)

7

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The town, which is located on the eastern edge of Box Elder County near Brigham City, announced the issue in [a social media post Wednesday morning](#), saying, "Emergency ... Pump is down at well ... no water usage until further notice."

[A later update](#) said a "code red" had been issued, but said residents could use "minimal indoor water only," absolutely no outside watering until further notice."

Water officials noticed that a pump on the town's primary water tank failed to turn on around 4:30 a.m., according to Mantua Public Works Director Harper Johnson. The town was able to get another well running, but it is pumping less than half the normal amount, which is why residents are told not to use unnecessary water.

Johnson said a specialist is on the way to assess the problem but wasn't able to estimate how long the issue will persist.

"I wouldn't even begin to guess right now for fear of giving people false hopes," he said. "I can't even begin to guess because we don't know for sure the extent of the problem and how available parts are."

The amount of water left in the tanks would normally last between two and three hours, but Johnson said they hope to extend that by having residents cut back.

Mantua's population was estimated to be around 1,256 in 2022 by U.S. census data, but Johnson said the town has seen a lot of growth in recent years and he places the current population between 1,500 and 1,600.

He said the town will keep residents up to date through their [website](#) and [Facebook](#) page.

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Bridger Beal-Cvetko



Bridger Beal-Cvetko covers Utah politics, Salt Lake County communities and breaking news for KSL.com. He is a graduate of Utah Valley University.

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KSL WEATHER FORECAST



WEATHER SPECIALISTS
RAIN TOTALS

BRIGHTON	.81"
DEER VALLEY	.62"
JORDANELLE	.60"
BRIAN HEAD	.55"
ESCALANTE	.38"
SOLDIER SUMMIT	.34"
CIRCLEVILLE	.32"

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LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

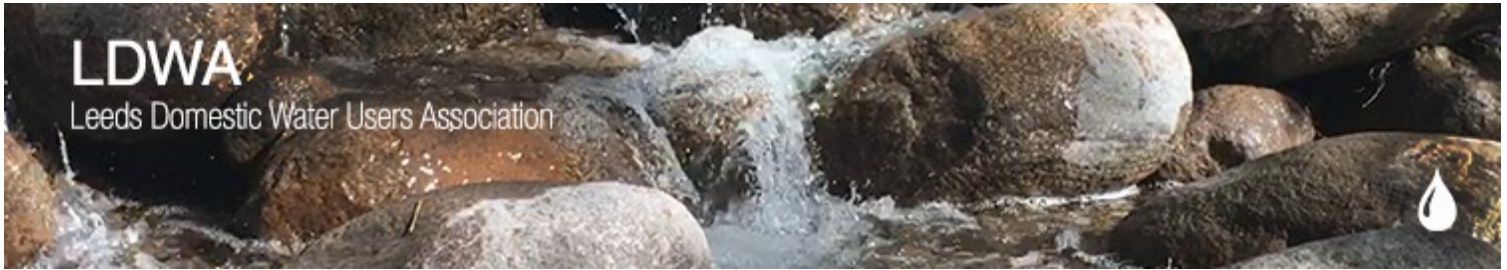
2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER <ul style="list-style-type: none">a) Roll Callb) Prayerc) Pledge of Allegiance
2. ANNOUNCEMENTS <ul style="list-style-type: none">a) Consent Agenda<ul style="list-style-type: none">o Acknowledgement of Meeting Noticeo Vote to Approve This Meeting's Agendao Vote to Approve Previous Meeting Minutes
3. OFFICERS REPORTS <ul style="list-style-type: none">a) President's Report [Don Fawson]b) Operations (Field) Report [Mark Osmer]c) Office / Finance Report [Doris McNally]d) Administration Report [Kurt Allen / Don Fawson]<ul style="list-style-type: none">o Update on System Project
4. SHAREHOLDERS COMMENTS <p>No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)</p>
5. ROLL CALL VOTE TO CLOSE MEETING



MINUTES

DATE/TIME/LOCATION:	September 20, 2023	7:00 PM	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen (Corporate Secretary)		
ATTENDEES:	Board Members: Don Fawson (P), Doris McNally (T), Kurt Allen (VP) is sick, Alan Cohn (M) In Virginia on business Brant Jones (M) has a Family emergency Staff: Layna Larsen (Corp Secretary) Mark Osmer (Field Op Mgr) Shareholders: Ron Cundick		

Agenda Topics

I. CALL TO ORDER [Don Fawson @ 7:00PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	PRESENT: Don Fawson, Doris McNally
PRAYER	Don Fawson
PLEDGE	Don Fawson
CONCENT AGENDA	Consent agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous month's minutes.
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously

II. ANNOUNCEMENTS [Don Fawson]

DISCUSSION	AGENDA OUTLINE
Don Fawson - So, we're not going to be able to make any decisions tonight, but I think we can still discuss some information that we can put in the minutes and then put on the website.	

So, the first thing I wanted to do is mention that we have gone through the minutes from last month and we have reached out to the other Board Members and got their approval of those minutes. So, we'll ask Layna to go ahead and post them, so we don't have to wait another month to put them on the website.

DISCUSSION	DECLARATION OF ANY CONFLICT-OF-INTEREST
------------	--

Don Fawson - Since we don't have any issues that we're going to need a conflict-of-interest statement, we will bypass that.

III. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	NEW PROJECTS
------------	---------------------

Don Fawson - (Addressed to Ron Cundick) Kurt was talking about possibly getting with the Town, to do a report on where all the projects are to bring you guys up to date. So, I don't know if you could work with the Town or Azeneth, (Town Secretary) whoever can put him on the agenda. That would allow him to give the Town Council report on LDWA projects.

DISCUSSION	LWC
------------	------------

Don Fawson – One of the things we are continuing to do is work with Brant Jones and LWC's Board to get our combined Water Agreement up to date. We're want it to reflect the use of the State Engineers water rights chart for shared water use.

DISCUSSION	SURVEY
------------	---------------

Don Fawson - Doris, how is the survey coming?

Doris McNally - Phenomenal, over 60% of our shareholders have submitted and I have to say that's crazy. I mean most surveys when you send them out, you're lucky if you get 5% or 10% response and 60% of our shareholders have completed it.

As a side note, of the 60% that have completed it, 50% of them are also LWC customers. So, we know that the potential of a cross connection is more likely to occur with a LWC / LDWA customer, so those customers are identified and if we had concerns about them, Mark, could go out and meet with them.

For the people who haven't responded yet, we've written a letter and we're targeting a specific letter to all those people saying listen, we missed your response to the survey, please, it's important you send it in. And we're sending them a PDF version of the survey where they'll have to fill it out and then they can mail it in with their monthly bill payments. I believe we can get over 75%. If that happens, it's going to be amazing. I mean that's one of those things where the Rural Water Company will want us to do another presentation because you never get that kind of success or information. So, we're very appreciative of the shareholders for responding in the manner they have.

Don Fawson - Absolutely. There have been some that have asked questions and both Mark and I have responded to those inquiries.

Mark Osmer - I've gone out to a bunch of different people and just helped them.

Don Fawson - Some have just called to get information.

DISCUSSION	FLUME
------------	--------------

Don Fawson – Mark have we had any more action on the Flume 2 home water monitoring systems? Any recent ones?

Mark Osmer - Just, batteries have been going dead.

Doris McNally - Yes, my battery went, it is 2 years old, and it finally died. The batteries were on back order, but I received my replacements last week. The Flume 2 units have become very popular. So, when your unit says it is time to order new batteries, get on it!

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
------------	----------------------------------

Mark Osmer - We passed our BacT test again this month. We've been flushing hydrants. We've just got a few more downtown, but the Town has been working on drainage on Valley Road, and I didn't want to flood them out while they were doing that. I have also been going around helping a number of people with the survey.

DISCUSSION	SANITARY SURVEY
------------	------------------------

Mark Osmer - We have our sanitary survey coming up on the 29th. The guys coming down on the 29th, which is Monday, isn't it?

Layna Larsen - No it is a Friday

Don Fawson - Do you feel confident you're ready for that?

Mark Osmer - Yes, I'm sure he is going to find something, they always do, but I think we're good. Do we have our cross-connection program ready for review, because we are going to need that.

Doris McNally - Yes and he'll be impressed by that.

Don Fawson - And I saw you've got Mark's Cross Connection Certificate.





Doris McNally - I did and I got you up on the website. I noticed they didn't have your proper number up there. So, I contacted them, and she did it overnight. It was perfect.

DISCUSSION	LEAD AND COPPER TEST
------------	-----------------------------

Mark Osmer - Mark Osmer - Then we took a bunch of lead and copper samples and nitrate samples this week and I sent them off today to Chemtech Ford, so they should get them in the morning.

Don Fawson - OK, very good. Doris I'd like to have you go ahead and go through the financials.

c) OFFICE FINANCE REPORT [Doris McNally]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]
<p>BILLING for August was completed/mailed on Sept. 1st.</p> <p>NEWSDRIPS The August Invoices included article on the Cross Connection Control Survey, reminding shareholder to submit their survey.</p> <p>As of today, 57% of our shareholders have returned their completed surveys. This is very impressive, but we believe we should be able to secure a higher number. We have prepared an email to those shareholders who we have not heard from asking them to comply to this obligation we have as Association to requirement set forth by the State of Utah Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ).</p> <p>I'd like to suggest we include an article on PayClix our online bill payment solution with e-checks or credit cards. 35% of our shareholders have now used PayClix since its inclusion to our payment options since Jan 2021.</p>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;">  <p>REMINDER!!!!!!</p> <p>By now you have received the survey we sent to be in compliance with the State of Utah Division of Drinking Water (DDW) & the Department of Environmental Quality (DEQ). To those who have responded to the survey, Thankyou.</p> <p>To those who have not, it is very important you do.</p> <p>By maintaining compliance with DDW/DEQ regulations you help keep our Water Company "safe & independent"</p>  </div> <div style="border: 1px solid black; padding: 5px;">  <p>Online Bill Payment with e-check or credit card</p> <p>Paying your water bill online with PayClix.com</p>  <p>Your LDWA water bill can be paid online through PayClix.com. PayClix is a secure, fast online payment portal where you can use your computer, smartphone, or tablet to pay your bill on-the-go and make payments anytime, anywhere. For both online and mobile payments, you can pay via automated transfer from your credit card, debit card, or an E-Check.</p> <p>You can pay by phone: (866) 729-2549. Talk to a Live Representative who will assist you. (Monday through Friday from 7:00AM – 3:00PM MT) or you can pay online @ payclix.com/LDWA.</p> </div>

DISCUSSION	FINANCE [Doris McNally]																																																																													
<p>PAYCLIX In July we had 81 shareholders paid their bills using this payment option. The total amount collected through PayClix was \$6,868.82. With 54% paid via credit cards & 46% via echecks.</p>	<table border="1"> <thead> <tr> <th rowspan="2"></th> <th colspan="2">Credit Cards</th> <th colspan="2">Electronic Checks</th> <th colspan="2">PayClix®</th> </tr> <tr> <th>Count</th> <th>Credit Cards</th> <th>Count</th> <th>eCHECK</th> <th>Count</th> <th>TOTAL</th> </tr> </thead> <tbody> <tr><td>Jan-23</td><td>39</td><td>\$2,042.98</td><td>26</td><td>\$1,448.97</td><td>65</td><td>\$3,491.95</td></tr> <tr><td>Feb-23</td><td>42</td><td>\$2,686.29</td><td>27</td><td>\$1,050.32</td><td>69</td><td>\$3,736.61</td></tr> <tr><td>Mar-23</td><td>47</td><td>\$2,156.00</td><td>29</td><td>\$1,593.07</td><td>76</td><td>\$3,749.07</td></tr> <tr><td>Apr-23</td><td>45</td><td>\$2,267.30</td><td>28</td><td>\$1,130.00</td><td>73</td><td>\$3,397.30</td></tr> <tr><td>May-23</td><td>45</td><td>\$2,664.39</td><td>30</td><td>\$1,703.07</td><td>75</td><td>\$4,367.46</td></tr> <tr><td>Jun-23</td><td>49</td><td>\$3,267.88</td><td>28</td><td>\$2,453.49</td><td>77</td><td>\$5,721.37</td></tr> <tr><td>Jul-23</td><td>49</td><td>\$4,755.93</td><td>32</td><td>\$3,188.46</td><td>81</td><td>\$7,944.39</td></tr> <tr><td>Aug-23</td><td>48</td><td>\$3,720.80</td><td>34</td><td>\$3,148.02</td><td>82</td><td>\$6,868.82</td></tr> <tr><td>TOTAL</td><td>364</td><td>\$23,561.57</td><td>234</td><td>\$15,715.40</td><td>598</td><td>\$39,276.97</td></tr> </tbody> </table>		Credit Cards		Electronic Checks		PayClix®		Count	Credit Cards	Count	eCHECK	Count	TOTAL	Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95	Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61	Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07	Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30	May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46	Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37	Jul-23	49	\$4,755.93	32	\$3,188.46	81	\$7,944.39	Aug-23	48	\$3,720.80	34	\$3,148.02	82	\$6,868.82	TOTAL	364	\$23,561.57	234	\$15,715.40	598	\$39,276.97	
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				\$274,841.38	100.0%																																																																									

DISCUSSION	JUNE 12 DEPOSIT [Layna Larsen]
<p>Layna Larsen – On Jun 12th we processed the checks received through RVS and deposited on the remote machine. We received the usual response saying that it was received and processed. Then towards the end of the Month Jennifer Lefler, our accountant, noticed it never showed up in our account. So, I contacted the business dept of MACU and they said they would look into it and on July 12th they deposited it into our account. Then they removed it again in August and I called and asked why that deposit was withdrawn from our account, they said they would look into it and then they redeposited it.</p> <p>Then the 1st part of September shareholders started calling and saying we were depositing money into their accounts. So, then we contacted Jake our MACU representative and explained that personal checks are not being processed on their end because shareholders say they are still seeing the funds in their accounts and that bank checks were removed from our account and returned to Shareholders. So, he contacted the people over this area and researching they found that the deposit was completed correct on our side, but that the bank did not finalize and process the checks correctly on their end. Then they explained that when a check is generated from the bank the money is automatically removed from the account and if it is not processed within 90 days it is returned to the persons account. So, we had 11 checks removed from our bank account and replaced into the shareholder’s bank account. We then removed it from our books for June 12th and sent a copy of the check and letter from the bank to these shareholders to let them know what happened and asked them to re-send their June Invoice payment.</p> <p>I am still getting a few calls from shareholders that wrote personal checks that say they have not been withdrawn from their accounts. At this point I don't know what else to do. The bank has been contacted 5 different times about this one deposit and we have explained that personal checks are not being processed on their end and withdrawn from the shareholders bank account as well as that the bank checks were removed from our bank account, which they sent us copies of.</p> <p>Doris McNally - The 11 people who were affected with bank generated checks received a letter from us explaining what happened and were given a copy of the bank letter explaining what happened and apologizing for the inconvenience. This is one of the checks that did not go through, and he signed the check for us to re-deposit it. There were 11 shareholders affected by this and it was a software glitch on MACU's side not on LDWA's.</p> <p>Layna Larsen - We have been telling them all along and 3 months later we are still dealing with it.</p> <p>Doris McNally - Jennifer Lefler deserves a lot of credit, she is the one who picked up on it. Balancing the books, was when she picked up on it.</p>	

DISCUSSION	DEVELOPMENT AGREEMENT – Silver Eagle Estates
<p>Doris McNally - We received the development agreement from Peter, and it has been sent to Devin and Steve. They say thank you and will get back to us.</p>	

DISCUSSION	WATER RIGHTS - PROTEST RESPONSE
<p>Doris McNally - I haven't heard from our attorney yet relative to protests posted to our water rights transfers, I am expecting the protest response from him today.</p> <p>Layna Larsen – He sent it this afternoon. Directly emailed to DDW and a copy to us.</p> <p>Doris McNally – Great I hadn’t seen that, but good news.</p>	

Don Fawson – Basically we had Riley with Jones and DeMille our engineer going through all the water rights and work with the State to make sure they have all been recorded properly. I called the State on one of them yesterday and they said they received that, and it was a request for a review of 530 some odd acre feet of water. They are in the process of reviewing those right now because some of them have not been taken care of properly.

Anyway, part of that was one or two water rights coming over from Sand hollow and there was some of the Hogan Springs rights. Some of them are OK, but some of them hadn't been completely processed. We are just trying to get all that straightened out. So, based on that, Susan Savage, Allen Howard and their group had registered a protest relative to those transfers and they had some questions and concerns. We had Peter go through those questions and address them for the State. So that is where we're at.

Doris McNally - Background - We had gone to Nathan Moses, a State Water Engineer, and others, and they had given us guidance. They told us what we need to do. So, they're confident that there's no standing for any of those things, but we still have to go through the process.

Ron Cundick - I know we had to pay our former Engineer to go through and do that, so we are paying for it twice.

Don Fawson - Maybe, but apparently based on what the State is saying it had not been completed. I am not saying LDWA didn't complete it, the State didn't complete it, so we want to make sure it gets done this time.

Ron Cundick - I know there were several water rights that had not been proved up on, that are on the schedule and I was worried about some of those. There weren't many, but there were some. The State said we need to review those, and I don't know whether those were approved or not.

Don Fawson - I don't either, we have left it up to our Engineers to get it straightened out and are looking forward to the completion.

Ron Cundick - Well that's their business they should do it.

IV. SHAREHOLDERS COMMENTS

DISCUSSION	SILVER EAGLE ESTATES
<p><u>Ron Cundick</u> – Could I ask a question? What's the status of the water with Silver Eagle now?</p> <p><u>Don Fawson</u> – They have completed LDWA requirements including bringing water.</p> <p>.</p> <p><u>Doris McNally</u> - They have received a Will Serve Letter from us. They've proved to us they've done everything they needed to do with the water rights. They are at the point now where they need to go to the town. They've gone through planning. I don't know if you've known that, but they're at a point now where they're planning on coming to the Town Council.</p> <p><u>Ron Cundick</u> - I have not been to Town Meetings for a couple months now.</p>	

Don Fawson - Let's close the meeting.

Doris McNally - I Motion to close the meeting, Second, etc

Don Fawson - Thank you.

V. MOTION TO ADJOURN MEETING

VOTE

MOTION TO ADJOURN MEETING: Doris McNally | SECOND: Don Fawson
MOTION APPROVED: Unanimously

ADJOURNMENT: 7:22 PM



Layna Larsen / Corporate Secretary



LEEDS DOMESTIC WATERUSERS ASSOCIATION

PO Box 460627, Leeds, UT 84746-0627

PHONE: (435) 879-0278 | E-MAIL: LDWAcorp@infowest.com | URL: www.LDWAcorp.org

2023 MEETING OF THE BOARD OF DIRECTORS CALENDAR

DAY/DATE	TIME	LOCATION	HELD
Wed., January 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., February 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., March 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., April 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., May 17th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., June 21st, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., July 19th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., August 16th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., September 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input checked="" type="checkbox"/>
Wed., October 18th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., November 15th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>
Wed., December 20th, 2023	7:00PM – 8:00PM	Leeds Town Hall	<input type="checkbox"/>

[Leeds Town Hall is located at 218 N. Main Street, Leeds, UT 84746]

STANDING AGENDA

1. CALL TO ORDER

- a) Roll Call
- b) Prayer
- c) Pledge of Allegiance

2. ANNOUNCEMENTS

- a) Consent Agenda
 - o Acknowledgement of Meeting Notice
 - o Vote to Approve This Meeting's Agenda
 - o Vote to Approve Previous Meeting Minutes

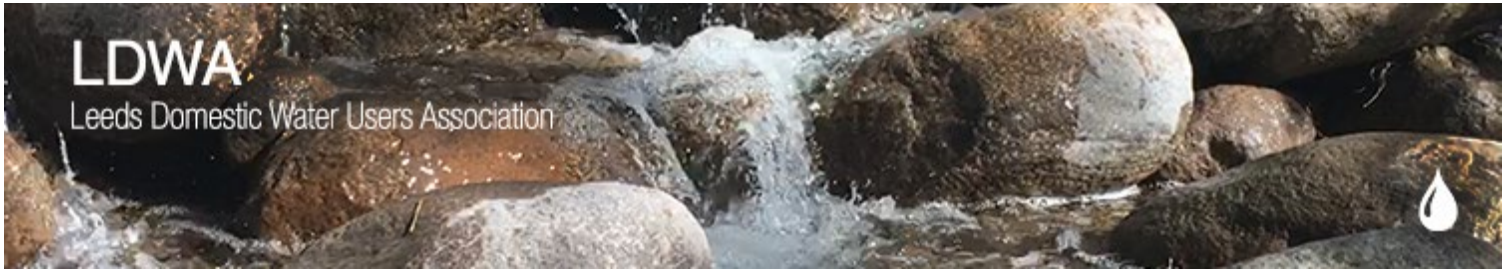
3. OFFICERS REPORTS

- a) President's Report [[Don Fawson](#)]
- b) Operations (Field) Report [[Mark Osmer](#)]
- c) Office / Finance Report [[Doris McNally](#)]
- d) Administration Report [[Kurt Allen / Don Fawson](#)]
 - o Update on System Project

4. SHAREHOLDERS COMMENTS

No action may be taken on a matter raised under this agenda item. Shareholder must step to podium to make comments. (Three minutes per person)

5. ROLL CALL VOTE TO CLOSE MEETING



Minutes

Date/Time/Location:	October 18, 2023	07:00PM	Leeds Town Hall
Type of Meeting:	Board of Directors Meeting		
Note Taker:	Layna Larsen		
Attendees:	Members/Staff: Don Fawson (P), Kurt Allen (VP), Doris McNally (IT), Alan Cohn (M) Mark Osmer (Field Mgr), Layna Larsen (Corp. Sec) Shareholders: Susan Savage, Terry Allen, Michelle Peot Special Guest: Clint Hardman & Steve Newby from Landmark Excavating,		

Agenda Topics

I. CALL TO ORDER [Don Fawson- @ 7:03PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	Present: Alan Cohn, Brant Jones, Don Fawson, Kurt Allen, Doris McNally

II. PRAYER [Doris McNally]

III. PLEDGE [Don Fawson]

IV. CONSENT AGENDA, PRIOR MEETING’S MINUTES & POLICY APPROVAL/VOTES [Don Fawson]

CONCENT AGENDA	Consent Agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month’s agenda and the previous months minutes.
VOTE	MOTION TO APPROVE PRIOR MEETING’S MINUTES: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE TONIGHT’S AGENDA: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously

V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Don Fawson]

DISCLOSURE	DECLARATION OF ABSTENTIONS OR CONFLICTS		
ADMISSION	Alan Cohn – NONE Doris McNally – NONE	Brant Jones – NONE Don Fawson - NONE	Kurt Allen – NONE

VI. MEETING OUTLINE [Don Fawson]

DISCUSSION	Outline of Meeting [Don Fawson]
Don Fawson – Reviewed Agenda for the meeting.	

VII. OFFICERS REPORTS [All Board Members]

a) PRESIDENT’S REPORT [Don Fawson]

DISCUSSION	Silver Eagle Estates :: Development
<p>Don Fawson - Just have a couple of things. I understand we've received the Development Agreement for Silver Eagle Estates, had it reviewed by an attorney, and it has been signed and recorded.</p> <p>Kurt Allen - That's correct, the development agreement was recorded at the County Recorder’s Office today. We met Silver Eagle or Mountain West Development there and recorded the Development Agreement with them.</p> <p>Don Fawson - OK. Thank you. That's been a long process and we appreciate getting that done and I am sure they do as well.</p>	

DISCUSSION	Utah Department of Environmental Quality Division of Drinking Water Sanitary Survey
<p>Don Fawson – Mark, Doris and Layna will talk about this later, but we did complete the State Sanitary Survey which happens every three years. You will hear more about that later. As part of that, my wife and I cleared all the weeds in the spring enclosure, so they are all cut down.</p> <p>Doris McNally - Thank you, Don.</p>	

DISCUSSION	Water Right Change Application
<p>Don Fawson - We also received notice from our attorney that the Water Rights Permanent Change Application was approved by the State Engineer without the need for a public hearing.</p> <p>Alan Cohn - Do you want to just kind of clarify what water rights for everyone to understand.</p> <p>Don Fawson - All of our water rights were reviewed. I think it was around 500 acre feet.</p> <p>Doris McNally - We cleared up the point of divisions on those.</p> <p>Don Fawson - There is a copy here if you want to look at it.</p> <p>Alan Cohn - No, I think I saw that.</p> <p>Don Fawson - So that was good. I know that there were questions with some of these water rights. Mark, do you want to go ahead and give your report?</p>	

b) FIELD OPERATION’S REPORT [Don Fawson & Mark Osmer]

DISCUSSION	Monthly Water Quality Test Results
<p>Mark Osmer - We passed out BacT test again this month.</p> <p>Mark Osmer - We collected the lead and copper survey samples and sent them off to Chemtech Ford. We haven't received the results yet. We also completed the nitrate tests.</p>	

DISCUSSION	Repairs & Maintenance [UDOT Hydrant Damage]
<p>Mark Osmer - UDOT was cleaning weeds down on South Main Street and they ran over a fire hydrant and broke it. So, we had to replace that fire hydrant. We also repaired a couple of PRV 's that were leaking, and then just completed general maintenance.</p>	

DISCUSSION	Division Of Drinking Water Sanitary Survey
<p>Mark Osmer - Like Don said we completed our Sanitary Survey. There were a few things we needed to do. They wanted more dirt placed on top of the Oak Grove Tank, which is buried underground. So, we put an</p>	

extra two feet of dirt on top of that so the water wasn't sitting on top. We also went up to the Spring, cleaned that all up and found the drain valve and drainpipe. We put a screen on the end and sent pictures to the inspector so we would get points removed for that and we had an air-vac on Main Street that we had to install a screen on, so we did all those. That's about it.

Don Fawson - Did the inspector have any comment at all on his evaluation of the system.

Mark Osmer - He thought it was really good. That's all he found. The Oak Grove tank, an air-vac didn't have a screen on it, and the drain on the Spring.

Don Fawson - OK, and he said he would not count that against LDWA if you just sent him pictures showing they were corrected?

Mark Osmer - Yep, and I've already sent him all the pictures and he said he would take the points off and it'll be a couple of weeks before his report is completed.




Don Fawson - Alright. Anything else?

Mark Osmer - No, that's about it.

Kurt Allen - Thank you, Mark.

Don Fawson - We appreciate Mark and obviously he has his daily routine that he goes through as far as checking tank levels and other issues, and then also from time to time we have Shareholders who have questions or issues that they need help with and he's quick to get on those and take care of them as well. So, we greatly appreciate it, Mark. OK, Doris do you want to go ahead with the financials? Maybe tell us a little about the survey results too, if you would.

c) TREASURER'S REPORT [Doris McNally]

DISCUSSION	Announcements/Billing/Communication – [Doris McNally]
<p>BILLING For September was completed/mailed on October. 1st.</p> <p>NEWSDRIPS The September Invoices included an article on PayClix.</p> <p>Given we are going into the fall/winter months I would like to make a proposal that the NewsDrips article for October's Invoice mailing be an encouraging one. Sunday, November 5, 2023 is when we turn our clocks backward 1 hour.</p> <p>Having shareholders consider that date to also pause their non-essential irrigation water use and winterize their system.</p> <p>With that said I'd like to MAKE A MOTION to approve the use of the "Tick Tok" on the watering clock Article for our upcoming invoice mailing.</p>	<div data-bbox="922 1045 1461 1396">  <p>Online Bill Payment with e-check or credit card Paying your water bill online with PayClix.com</p>  <p>Your LDWA water bill can be paid online through PayClix.com. PayClix is a secure, fast online payment portal where you can use your computer, smartphone, or tablet to pay your bill on-the-go and make payments anytime, anywhere. For both online and mobile payments, you can pay via automated transfer from your credit card, debit card, or an E-Check.</p> <p>You can pay by phone: (866) 729-2549. Talk to a Live Representative who will assist you. (Monday through Friday from 7:00AM – 3:00PM MT) or you can pay online @ payclix.com/LDWA.</p> </div> <div data-bbox="922 1470 1461 1816">  <p>"Tick Tok" on the watering clock</p> <p>As fall temperatures settle in, and winter months draw closer, residents are encouraged to look for ways to save water outdoors by shutting off irrigation systems until next spring when irrigation season begins again. We encourage all to look for ways to save water.</p> <p>Saving water indoors can be done by checking for leaks, getting a rebate for a water efficient toilet and running full loads in dishwashers & washing machines. Shareholders are encouraged to visit ldwacorp.org for water conservation tips.</p> <p>Daylight & Water Savings Time Sunday, November 5, 2023 is when we turn our clocks backward 1 hour, consider pausing your non-essential irrigation water use.</p> <p>Conservation shouldn't end when we turn off our sprinklers and drips. Look for ways to save water today so we have it for tomorrow.</p> </div>
<p>VOTE</p>	<p>MOTION TO APPROVE NEWS DRIPS ARTICLE FOR UPCOMING BILLS PRODUCTION: [Doris McNally] SECOND: [Kurt Allen] MOTION APPROVED: Unanimously</p>

DISCUSSION **Cross Connection Survey – [Doris McNally]**

Doris McNally - About the current cross-connection survey, as you know cross-connection is a very big part of the sanitation survey that we recently did with the Gentleman who came last month, and we have approximately 419 customers. We had over 60% of our customers respond to the survey already. We believe we can actually get a higher response. So, Layna and I have pulled a database of all the people who didn't respond. There could be many reasons why they didn't respond, maybe they didn't understand. But we have an e-mail that we've sent out and we also have a PDF version of the survey that we're sending out to everybody. Our goal is to hopefully get 75% and in talking to people who do surveys, they are happy to get 5%. We are at 60% right now with the goal of 75%, which is massive. In talking to Gary Rager, with the State DEQ, today, he's also very impressed with the work that we've done on cross-connections. So, I want to acknowledge not only Layna and Mark but also Don, our certified Cross Connection Administrator on the work that we've done on cross-connection. A few years back that's where most of the points came from, it was because we didn't have a program. So, my appreciation to you guys for helping us in not only defining a plan but implementing it.

Don Fawson – OK, thank you very much. I appreciate that. Would you mind sharing with the rest of the Board and those who are here, Gary Rager's comment as of today on our status relative to other water companies of this size in the State. Let me just say Gary Rager is with the Department of Environmental Quality and is the specialist in charge of cross-connections.

Doris McNally - So putting into perspective what happened today, like with any bureaucracy, utah.gov would like to see certain information supplied in a certain manner, so today we received some forms. We've been supplying information in a different way, but we have a lot of great content and it's hard to do that back flow. So, using these new forms, working with Layna today and getting some verification from Mark we filled in the forms, and I called Gary to say, hey, do I need to send this to anybody else or do I just need to send it to you? And I said, did you see it? He goes, yes, boy, you guys are doing great. You are probably one of the best small rural water companies in the State. And considering a few years back when you were getting major negative points on things regarding backflow. You guys have really turned around and done a great job. He said you're the one who did the presentation with Don and Mark, at the last meeting? I said yeah, as a matter of fact, you should invite us back again this year because we have 60% of our shareholders who've returned the responses on their survey. He was blown away by that. So, I believe once again, we're making some heads turn. People are seeing the value of what we're doing here. We are doing the right things by the Company. We are putting a lot of things in place and systems in place and we're getting recognized for it. So, I'm very proud of that. And this is where I want to thank people like Layna and people like Izzy who are in the office and Jennifer, who's not here, who's our accountant. There's a lot of stuff that goes on behind the scenes. They are unsung heroes. And these people are really making us look good. We're putting a process in place and we're putting the programs in place, but they are doing the hard work behind the scenes with the detail. So, my appreciation to all of them.

DISCUSSION **Finance – [Doris McNally]**

PAYCLIX
 In September we had 88 shareholders paid their bills using this payment option. The total amount collected through PayClix was \$9,854.02. With 60% paid via credit cards & 40% via echecks. This is the single highest month since we made this option available to our sharerholders.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30
May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46
Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37
Jul-23	49	\$4,755.93	32	\$3,188.46	81	\$7,944.39
Aug-23	48	\$3,720.80	34	\$3,148.02	82	\$6,868.82
Sep-23	50	\$5,937.19	38	\$3,916.83	88	\$9,854.02
	414	\$29,498.76	272	\$19,632.23	686	\$49,130.99

FINANCE [September 2023]



TOTAL INCOME		
ACCT	BALANCE	% to TOTAL
Ord. OI:	\$34,104.31	96.4%
Other OI:	\$1,263.47	3.6%
	\$35,367.78	100.0%

TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL
Ord. Field OE:	\$7,812.27	47.3%
Ord. Admin OE:	\$955.59	5.8%
Professional OE:	\$578.00	3.5%
Labor Expenses:	\$7,161.99	43.4%
	\$16,507.85	100.0%

The LDWA's Banking Accounts [as of 10/15/2023]



CHECKING ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Checking	\$280,772.17	63.5%
2 - Business Checking	\$161,446.06	36.5%
	\$442,218.23	100.0%

SAVINGS ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Emergency Reserve	\$292,778.65	76.0%
2 - Loan SRF-3F1892	\$31,675.03	8.2%
3 - Impact Fee Fund	\$60,556.63	15.7%
	\$385,009.31	100.0%

DISCUSSION

LOAN #3F-138 - [Doris McNally]

We are working with Heather at the Division of Drinking Water to finalize the closure & transition of our old loan into the new loan we recently were awarded. I will keep you updated as this should come to closure shortly.

d) BOARD MEMBER REPORT [Brant Jones]

DISCUSSION

Leeds Water Company (LWC) Update - [Brant Jones]

Brant Jones - Yeah, you know I am on the Board on both LDWA and LWC, the irrigation company. And we share the same water source. We are continuing to work to create a better working relationship between the two companies. Don and I met with the Irrigation Board recently and we are working on an updated agreement. We are trying to look forward to what might happen in the future with water in Leeds if the Irrigated land were to be developed at some point. We are trying to figure out a way to keep the Spring water, in particular, coming to Leeds. So, we're working on that project. We met with a couple hydrological specialists recently on the carrier water and are trying to get them to get more involved in the project and to come down and help us take a look at that. Carrier water is what water it takes to get water from the Spring down to where the Irrigation Company takes the water at their diversion on Leeds Creek. So, anyway, if we can work it out, it would be nice to be able to utilize the Spring Water in the future for anyone who is building a home. The State is involved in that relative to the water rights. There are also the bylaws for both companies that are fairly complex as far as the agreement is concerned. We're not in total control of it all since the State has is involved as well. You know the question has been asked recently about the Bylaws of the Irrigation Company and there's a website that the irrigation company is working on right now so LWC shareholders will be able to see the bylaws. Susan Savage has been involved in documenting the history of the Company. There's been some challenges with people knowing how to reach LWC. The culinary water is pretty well advertised, through our Website and posters, and so if something goes wrong with the water, people know how to get information or help. There's way more irrigation water than there is culinary water. If there's a water problem, typically the culinary company gets the phone calls because LWC doesn't have anything posted, so contact information will be should be available as well. The last word I heard was a couple weeks on the Website. But as agriculture goes, I think those are dog years, so I think 2 1/2 months. They are a little slower because you have people that work full time jobs and then come home and farm their land and then run off to do other stuff. Everybody's pretty busy, so anyway, they are working on it.

Alan Cohn - I think LWC and LDWA are playing nice together and it is a great thing. From what I understand from my time, historically it's been more of an adversarial relationship which did not benefit anyone. So, I think the direction we're going is fantastic.

Brant Jones - It's been a good thing and I mean the best thing we could have happen is what's happened this year with the best water year in 110 years, so that makes good friends, doesn't it?

Don Fawson - Let's do that again. OK. Thank you. Alan, did you have anything you want to report?

Alan Cohn - No I don't.

Don Fawson - Kurt do you want to go ahead and give us an update on the projects?

e) BOARD MEMBER REPORT [Alan Cohn]

DISCUSSION

Nothing to Report - [Alan Cohn]

f) ADMINISTRATION REPORT [Kurt Allen]

DISCUSSION

Infrastructure Project Update - [Kurt Allen]

Kurt Allen - OK. Thanks, Don. First of all, I want to thank both Brant and Doris for the fine work they do on financial things and on LWC and the relationship with them. It's real commendable, the progress we've made all the way around.

Kurt Allen - We've got so much going on that Riley and I sat down and kind of outlined a little narrative of all the projects and the things that are happening. Before I start, we have Landmark Excavation here with two representative, Clinton and Steve Newby, and when I'm finished here, I want to turn some time over to them. These guys work for the contractor for the Washington County Conservancy District who is installing the 24-inch line for them and of course coming along with that is our 10-inch line and all the appurtenances within the Town as they come up through Main Street. These guys are going to be very important to us to be able to have a good quality job, and to be able to coordinate with us. You guys need to make sure you talk to Mark before you get out of here. Mark's going to be your daily go to guy to be able to help out and answer any questions you might have. So, you'll become best friends with Mark.

Kurt Allen - Alright, along with the financial report you heard that we got an influx of money from the Division of Drinking Water into our accounts for the beginning stages of this pipeline project. There's actually going to be 3 stages of money transferred and that's based on the closing of each project with the Division of Drinking Water. The well right now is, of course, is the first stage. The second stage is going to be the Washington County Conservancy District pipeline project having a Deposit come into our accounts to pay for the materials, to pay our portion of the 10-inch water main, and that sort of thing, and then of course the third funding is going to take place at the time we let out the bids to do the Oak Grove pipeline, the chlorination building, the pipeline on the east side of Main Street going down through Town and that's of course the larger project of all three of them. So, there will be three different stages.

DISCUSSION

Permitting [Kurt Allen]

Kurt Allen - OK. As we've been saying for several months, the BLM and the Forest Service are reviewing the environmental applications to indicate what else is needed for the final environmental assessment of the Federal Land portion? It's completely in the agency's hands at this point until they give us comments. We've asked for updates from Susan at the BLM and then Gregg with the US Forest Service and we'll pass that on as they make the information available. We feel like that's getting close and hopefully at the next Board Meeting we can have some definitive answers from both of those agencies. As far as Main Street goes, for our pipeline going down the east side of Main Street, it is required to get the proper permitting from UDOT and UDOT's categorical exclusion for the environmental permit going down Main Street is in the public comment period at this time and will reach its required 30-day conclusion on Friday. The permit will then be sent off to Heather at the Division of Drinking Water the next week.

DISCUSSION	Right Of Way Mapping [Kurt Allen]
<p>Kurt Allen - Riley with Jones and DeMille has been working on that that right-of-way mapping and it's been a big job. I mean if you stop and look at all the right-of-way's that we've got for our pipeline within the Town, there's a lot of them and Riley's been just buried with that the last couple of weeks. It means looking into the status of the system and making sure that the legal descriptions are in the proper place. We've actually found one legal description that sent a right-of-way into Apple Valley on one of the easements. It is kind of an interesting mistake by the surveyor who wrote that. It got into the wrong section and put us in Apple Valley.</p> <p>So, we are compiling the draft on the LDWA system for the right-of-way maps for Peter Gessel's (Smith and Hartvigson, our attorney), and LDWA use. In documenting the system right-of-way and easements that we have on file. Both US Forest Service and BLM will use this right of way map in the final environmental assessment that they are working on currently.</p>	

DISCUSSION	The Well [Kurt Allen]
<p>Kurt Allen - The drilling plans are complete with the specifications and contract documents. We are just waiting on positive movement from the BLM before we advertise that for bid and closing on the loan. So once again, the bell will be on them for final approvals to open that up.</p> <p>As I mentioned earlier, the Well House, the Chlorination Building, the Altitude Control Valve, that are in the big project plans are 60% complete, and likewise, we are waiting on positive movement from the BLM and the US Forest Service before advertising for contractor design assist. We don't want to proceed past the 60% plan stage until the contractor for design assist is chosen so that they can be involved in that final design for the last 40% of the drawings. So that's on hold waiting for BLM and Forest Service to give their approval and then we will let that out to bid. Are there any questions on any of the projects?</p> <p>OK. I'd like to turn some time over to Clint and Steve to introduce themselves. Once again, we will all be working with them very closely over the next eight or nine months? So come on up.</p>	

DISCUSSION	Landmark Excavating [Kurt Allen]
<p>Clint Hardman - My name's Clint Hardman, the Superintendent of this project for Landmark. We'll be working closely with Steve Newby. Our other project manager, Austin Sorenson, wasn't able to make it tonight. First thing we would like to ask for, is for your patience through this project as it progresses. We will stay in contact on a daily basis to get answers to any questions we may have. Our goal first and foremost is safety. None of this is worth it if people's lives are going to be jeopardized. So, safety is first and foremost to us. And then quality is definitely going to be second to come into play. I don't accept failure. We are going to put it in right the first time. Timeline, is also important on this particular job.</p> <p>If there is anything that you know we need to be doing different, we will definitely be taking into consideration. We know we're in your town and we'll keep our house cleaning up to par. Taking consideration of the residents, our speeds, and the way we're leaving the right-of-way at the end of the day and through the weekends.</p> <p>Kurt Allen - That's awesome Clint, we appreciate those focus items that you're doing there and I'd like to say that we've already started our discussion with these guys on the technical part of their installation and as they get closer to the Town which should be a month / month and half, then we will be meeting with them, Mark, Don, and any other Board Members that would like to start talking about means and methods of working through our intersections, working through the other services going into each lot. There are just some things that we're going to expect. There is going to be some technical things we can help you with.</p>	

Clint Hardman - Approaches, people's driveways, their services, etc.

Kurt Allen - Exactly. Yeah.

Don Fawson - We want to make this as easy as we can for you and have it turn out to be a positive experience for you and your company, and the Town's people here as well. One of the things I wanted to ask that I have concern about is security. There's a lot of small parts that are going in on our part of the system and a lot of that's brass which, as you know is in high demand for people that want to go turn metals into the recycle for cash. Do have a plan for security on that material.

Clint Hardman - So, we briefly spoke about this in our pre-con that we had the other day. In our lay down yard, we have a conex that basically will be our parts and tools conex for small items like any copper, the rolls for the services would be store in there and locked up. I will be getting with the owner of Landmark and speaking about maybe possibly having a solar powered surveillance camera that can catch and record any movements or record for a small duration every time there is movement and then send it up to the cloud. We'll also have an office conex as well. As far as the large items, if they can lift them up, I don't say go for it, but I don't think anybody will be lifting those larger items up. At the property that we're using for our lay down yard we funneled it out to where the driveway is in one spot. So, somebody's going to have to do some real 4x4ing to get over there around our gate. We're going to put up some kind of gate at that access point. So, we are going to choke it down to where anybody that shouldn't be pulling in, they are going to have to do it from the side. We are hoping to have some kind of security on site, but we will be storing those brass and copper items inside of that Conex.

Don Fawson - I think you know, obviously, Landmark is ultimately responsible for that material, and the loss will be yours if it's lost, but it is also our problem if supply chain become slows down replacements.

Clint Hardman – And it's the delay of job.

Don Fawson - Yes, the delay of job and all that goes with that, so, I'm glad to hear what you're doing.

Kurt Allen - That's a good description and we have had several discussions on this, but the main one was with the Washington County Conservancy District just a couple of days ago because technically the material is owned by the Conservancy District. Once it arrives to the job, there's got to be a handoff made to the contractor and as that material comes in, we need to check it off with you or one of your project managers and this is where you are going to come in Mark or Don or somebody needs to be there on site as that material is delivered, we're going to check each listed box off ; 10" / 90 degree elbows, etc.

Clint Hardman - So, we have already had deliveries of pipes. I have all the tickets on those. After speaking at the pre-con the other day, I believe I was going to be in contact with Brett with the incoming parts. Is that correct?

Kurt Allen - No, it's not Brett it is Mark.

Clint Hardman - OK. On all the parts that are coming in; the 24-inch, 10-inch.

Kurt Allen - Oh, no I'm catching up with you. I'm sorry, Brett is the Conservancy District representative.

Clint Hardman - And he will only be watching over that end of it.

Kurt Allen - He will be watching over all of it because it's all the Conservancy Districts material. They are buying it all, they're paying all the bills, it's their material. We're going to reimburse the Conservancy District for those parts. And so ultimately, it's going to be our responsibility and we're going to have to

pay the bill. So, we want to make sure that the handoff is correctly done so that we know that the materials are there that are required on our project, and we have a list of every fitting, and of course the pipe will be easy just count the sticks and move forward. So, we want to go through that list of fittings and check the box off as those come in and then once we do that, they are going to be your materials and then you are going to be responsible for them at that point.

Clint Hardman - So, do you want me to reach out past Brett on that point and reach out to Mark to have him there to check out your materials.

Kurt Allen - Yes, you haven't received any 10-inch materials yet?

Clint Hardman - No, I have two loads arriving tomorrow.

Kurt Allen - Of 10-inch?

Clint Hardman - I do believe the two loads are 10-inch pipe.

Kurt Allen - OK, I have asked Whit Bundy with the Conservancy District to get ahold of Fergusons and postpone the delivery of the 10-inch materials until you get closer to Town. There's no sense in those materials sitting down there in the sun and you being liable for them being stolen. The pipes are not too big of a deal. But I don't want any materials delivered to the site until you're just rounding the corner down there, and a week or two away from getting into our portion of the project. Once we get to that point, then that's when we need to have them all delivered at the same time and we can go through and check them off and turn, them over, it's an important handoff process.

Clint Hardman - I've reached out to where some of the pipes have been coming from out of Alabama. I reached out to them today to tell them, you know, we need to hold off on even the 24-inch since we don't have the real estate to store it.

Kurt Allen - You're well ahead of yourself already.

Clint Hardman - So as far as that 10-inch? So just turn them around and tell them to store it. Or should I accept those two loads?

Kurt Allen - You accept them. The pipes not the problem. I'm going to reach out to Whit Bundy with the Conservancy District and get him to put a stop to that so that we don't get everything delivered up front and have it sitting there for two or three months.

Clint Hardman - And I expressed that to Mr. John Bird with his shipments since they were trying to push it. I'd already come to the determination that I didn't think that was a great idea until we start getting material in the ground. We can get so much in and then have more delivered. Then we had our meeting and I shared that with him and he's 'well, that's funny I just had a talk with someone else and they told me to go ahead and get it going.' I said no, that's not the discussion we had.

Kurt Allen - You need to get a handle on this because this material management or source management is going to run away with us if we don't watch it.

Don Fawson - Are you going to start at the top or the bottom?

Clint Hardman - We are going to start at the South end of the project. So, we originally were going to come out with that fused 14-inch and go into a flange and come out that way. Things have changed a little bit since then.

Kurt Allen - This is down by Harrisburg?

Clint Hardman – Yes and things have changed, but we'll basically kind of skip past that because there's another project going on that's going around Quail Lake, is that correct?

Kurt Allen - Yes. it is being designed right now.

Clint Hardman - So we'll just kick off that way and we're expecting to try, or our goal is to go about 1200 feet per week and that would be excavated, in the ground, and backfilled, that's our goal. The first week will be just getting the crew and everybody where they need to be and getting the system down. So, we may follow just short of that the first week, but I believe the second week rolling into that we will put every bit of that in the ground every week.

Don Fawson - So based on that about how long would it take to get up to South Leeds?

Clint Hardman - So, South Leeds, I believe it is about 3700 feet is what I kind of roughly guessed.

Kurt Allen - I'd be surprised if it's not a little bit more than that.

Clint Hardman - Maybe it is a little bit more and that's just to Pecan Drive. It might have been 4700 I'm not sure on those numbers, but I figured it would be about the third week before we get to that South interchange up to I-15 and then we will be able to keep on moving until we get to about Pecan Lane and I think that's when all the stuff starts getting pretty complicated.

Doris McNally - So, we are talking about the Town feeling it about when? what month? What time?

Kurt Allen - They're starting the cut project on Monday, a week from Monday and if it takes, say, four weeks because you're going to have a slow startup week, so you are a month out. You will be coming into the South side of Town.

Doris McNally - The first week of December?

Clint Hardman - Then moving forward through Town as we get a little bit closer into Town where things really start getting pretty complicated with a lot of valves, a lot of things are going on there and we will be bringing in a second pipe crew so that we can still get those things done, run the 10-inch, and get that 24-inch run and still meet the deadline to get that 24-inch up and operational. So, we will be running two full crews by the 1st of January for sure.

Don Fawson - Mark will be your “go to guy” on identifying where the existing lines are.

Doris McNally - Don I have an idea, given that this is going to be a pretty significant thing with the Town and given it's something that's going on with the Washington County Conservancy and LDWA, maybe we could talk to the Mayor about potentially adding this to his next Town Newsletter. An article about what's going to be happening and have him frame out not only what the Water Conservancy District is doing but also what the LDWA is doing and inform all the people in the Town, because it is going to cause some inconvenience and things like that, especially if you're on Main Street. So, I think that getting in front of it and communicating to the shareholders and to townspeople giving them a heads up would be the thing to do. So maybe we could reach out to Bill?

Kurt Allen - I just want to close by saying I've been working with Landmark Excavating for probably 3-4 months now out in Ivins on a different project and they're a great contractor, they are great to work with, very reputable, and we are looking forward to a great project.

Clint Hardman - Thank you. Appreciate it.

VIII. SHAREHOLDERS COMMENTS

SECTION SET-UP Shareholders Input [Don Fawson]

Don Fawson - Procedures for making comment:

- 1) Shareholders must step to the podium to make comments,
- 2) Clearly state your name and then ask your question,
- 3) Please limit your time to 3 minutes per person
- 4) No Action may be taken on a matter raised under this agenda item
- 5) Comments need to be confined to issues, not individuals.
- 6) If an item or question has already been discussed, we will cordially move on out of respect for everyone's time.

DISCUSSION Water Rights Comments [Susan Savage]

Susan Savage - We, our group has filed a non-use application with the State and they granted it. The non-use application requires you to specify why you are asking. It gives you seven years to solve whatever your problem is with your water. Like in our situation, like I've told you, that our water level has dropped it's not recovered, it's down 30 feet from what it was originally and hasn't recovered.

Don Fawson - So let me clarify this if I can just for myself. So basically, you have to prove that you are using the water within a seven-year period and then if not, you have to have some justification for why that was not the case. Is that it?

Susan Savage - Right. So, when they grant you that, then you're not at risk of forfeiture while you're trying to solve your issue. You have seven years to try to solve it. So, I thought you might be interested. Since Doris got me connected with the way to look online and see what's happening in the area, I just sign on to watch what's happening in all of Washington County. And those notices come out every Thursday evening and so during the last few months there have been dozens of non-use applications throughout the county. So whatever people's reasons are, you know, people may say it, like in our case, the water level dropping, or it may be a well situation, so they may need to decide whether to withdraw or whatever, but it's something to do with not being able to get their water and I think that's pretty interesting before, prior to that we hadn't seen that.

Doris McNally - Susan, can I ask you a question? Do you think that it also might be because they are feeling pressure that if they don't justify or document in this manner that the water rights could be taken away from them in one way or another? I'm just clarifying what they're feeling, I mean the motivation may also just be pressure at this point

Susan Savage - That is what would happen. In our case you know our water levels dropping and if we're losing our water, we are still responsible to water a certain number of acres then we are really hurting. So, the State has offered that option to people to give them time to solve their problems. And then a few weeks ago when I went down to the District on a private matter, the person that I talked with down there who is in a leadership position there said to me; *'so I guess Leeds is going to start buying water from the District.'* And I didn't know if you had any idea where that might be coming from.

Don Fawson – That information isn't coming from LDWA. They are obviously looking at things. I would guess that it is things like Grapevine Wash and whatnot that LDWA itself is not going to be able to supply water too. So, that would be the only other source they have.

Susan Savage - And I suggested at the time that it must be some of the big developments, but I didn't know for sure.

Don Fawson - It's obviously not LDWA.

Michelle Peot - Is there the possibility that they got Angel Springs locked into Leeds?

Don Fawson - I guess it's possible. I know that Angel Springs has talked to the Conservancy District and you know, it's been interesting. Their President at one time said '*no, we don't need any help.*' But I know that Zach Renstrom has indicated that could be a possibility and they are not excited about it. But I'm thinking from what you're saying, it was probably more something like Angel Springs than the Town getting water from the Conservancy District. I'm just speaking off the top of my head. I don't have direct knowledge of that.

Susan Savage - I think one of the Grapevine Wash developments came up in earlier years that they had said that they had a Will-Serve from the Washington County Water Conservancy District. There was something general on that so that maybe what they were talking about.

And then from some general things, and you may want to ask Michelle Peot something about this from other things she was researching. I just picked up that it sounds like the State has established a Groundwater Management Program for Iron County but not for Washington County, yet, they are re-adjudicating water in our area. So, I think that's hopeful for Washington County to give the county some guidance on what they are doing with their water.

Don Fawson - Could you tell us a little more? What's the State involvement in that?

Susan Savage - And maybe Michelle could address that.

Michelle Peot - I have something to report on that when you guys are through.

Don Fawson - OK.

Susan Savage - OK, then just some comments. We did protest your Change Application and I just wanted to say that people can take that as an adversarial move. What we take it as is a really important part of the process because the legislature provides for that process and there are lots of reasons to protest. It is a protection for us. If we came to a place where we thought or felt that someone was taking some of our water and then we went through the court system, you can go through the court, and you said, "We think this is happening." They say, why didn't you say something in the beginning? So, if you think that you have an issue, it gives you the opportunity to establish that you actually may have and had documented that concern. The other thing is that last March, when I was asked to research LDWA's water rights, as I looked back in some of the old ones, you know, people say, what difference does it make because the State goes ahead and grants the water rights. But what I saw in those documents was that they were analyzing what had been said in these protests and they were saying, for instance in our area, they were saying it looks like we have to be careful in these areas based on what was documented. But they were saying this about what the Conservancy District is doing because of all the Springs and the water rights, the prior water rights that were already here. So, they were adjusting things in those orders of the State Engineers based on those observations.

Another thing I just felt gratified by in the letter, the order from the State Engineer that came, because it delineated so many things that we have felt like needed to be stated by the State. And one is, they really scrutinized our area. In my conversations with them in the office or on the phone. I think I mentioned before during COVID there must not have been too much activity at the office. But the engineer that I

spoke with spent a couple of hours with me on the phone and I thought I was probably done, and I was saying, well, thank you, and he was saying, let me just show you something else. And so, he talked to me a lot about the Leeds area. He said your area is particularly difficult for us to figure out and that was stated in this order of the engineer.

And so, they've said that to us and they thanked us for our input and said thank you for keeping in touch. And I've contacted them and said, 'Is this pointless for us to be doing this' and they have said 'no, this is really important for you to give us this input'. So, I think it's important, we can have these discussions among ourselves, but as these questions come up and these conversations with them, to me it's really significant and important for them to be put on paper and that they recognize this. They also put in that document, I don't know if you noticed when it first came up online, when I looked at it in the fine print where it talks about the heretofore and the hereafter on your change application, it said that they are adjudicating, and that the Hogan Springs water may be affected by that. It may be diminished by that in the adjudication. You know they decided that wasn't an enlargement, but you have two people using the same water right. The people who are there, in my judgment, it should be available to them for gardening, relying on that and so on.

Back in the years when I was on the Water Board and we discussed that we didn't obtain it, LDWA didn't buy the Hogan Springs at that time, they did later when I wasn't there. But the judgment from the State said, *'If you transfer that water right to the well, then the water down there has to be left, it can't be used by anybody.'* Either way whether it's used by someone or not there are two uses of the same water right and that's why we brought that up.

So, it was interesting that on that document it said in the adjudication that it may be affected by what they do. And then I thought, you know over the years like since the 1970s when you came, Don, and we've been looking at water rights and things. The letters that would come back, the judgments or the order of the State Engineer would be brief and concise, and I'm gratified that they're more detailed now. When we protested the Conservancy District draining the Ash Creek Reservoir which we are concerned about, you know it may be part of what's been feeding our aquifer. Then the decision that came down from them was very restrictive. And the decision they gave to you is restricted. I mean you have to report on each of your sites, each year and how much you're taking out of it so that you don't exceed the depletion level and so on. So, that's really important, I think because Washington County has grown on the assumption and the encouragement that there will be plenty of water. And so, we found out without the Lake Powell pipeline, which has been set aside, at least for a while. that the picture may look different. The last thing I wanted to say was that as I've gotten in the habit of scrutinizing things. My experience is that it's really important to check the paperwork, the documents on what anybody says, no matter who they are, an attorney, a water engineer, whatever. For example, when your attorney, Peter, wrote his letter and said, it came across to me as maybe it's an imposition on the State Water Engineer for people to protest and that's why they have to pay the \$15 fee. I thought, well, that's interesting, you pay an attorney to stick up for you, but that is not why they have the \$15 fee. What they've said to me is because the legislature provides that, the \$15 fee is to cover their paperwork and postage and so on. But I haven't had any conversations with them which they discouraged us from protesting or for asking for a hearing. A hearing is when you get to hear what the other side is proposing and why and how would they see that working and you get to ask your questions. So, that's been really valuable to us.

Somehow, I don't know if it was your attorney or someone during our discussions that said that that LDWA does not have a quasi-municipal status and I don't know how the term quasi in that statement is being defined. But LDWA was given in the 1990's, I was on the Board at the time, the reason I know this is because I was the legal liaison at the time when we worked with the State on this. In 1987, you might remember, Don, that the State Engineer came down and said Leeds was the only private water company left in the State that was serving a municipality and that we were going to lose our water because we didn't have the right to accumulate water for future development. So, the Water Board at the time, after that was said, said I guess we're done. And I said is it OK if I ask our attorney about it. So, we met with the attorney, and he said let me talk to the State Attorney about this, the attorney for the State Board of Water Resources. I believe what they discovered was that there were over 100 private companies in the same situation that we are in. And that the State had overlooked that and overlooked their need for some

kind of policy to protect them. So, they established the policy that if the private company, St. George for instance, had at that time several private companies within the City, that if the private water company established an agreement with the municipality that they would only serve people within the City boundaries, then they could continue accumulating water for the future. I think if that had been rescinded, you wouldn't have the water you have now that you're holding from people who have brought it to you. They would have taken it back, but I have asked for a clarification from that. Another thing that happened was the District's attorneys, when we protested the Ash Creek situation, the District attorneys wrote a long letter to the water engineer, and it was full of things that we'd had our hearing it was full of taking issue with things that we had said in the hearing that we actually hadn't said at all. I don't know if they didn't know our area, or the geology, or what. Or, if we weren't important enough, or as important as some of the other cases, I don't know, but they have a lot of inaccuracies, so it was important to scrutinize that and to say this isn't accurate.

Don Fawson - Did you actually do that? Did you go back?

Susan Savage - We did, I took it point by point and wrote to the State again about that. And then in the past at one point, this is my last example, but it is important, I think, even though we have attorneys and engineers, to make sure that we know what the paperwork is on and what the facts are. There was a group that came to LDWA with a lot of water to sell them and the attorney that came with them was characterized as the equivalent as the Iron County equivalent Ron Thompson and the Washington County Conservation District. And so, he was an attorney, and the question came up about whether there were any encumbrances on these water rights and they assured the LDWA that there weren't. And I think in the past we've tended to trust. And you don't think that people look straight at you and say something that they know isn't true? But we find out that that could be the case. So, we had that burden to check on it. So, what actually happened was, LDWA then accepted that word and agreed. But they didn't pay for the water rights. They agreed to pay for them as they were used. Fortunately, they hadn't used any because the lawsuit came up and it was determined that the people selling the water right to LDWA didn't actually own them. Although it was the attorney who said yeah, they are free of encumbrances. So, LDWA got out of that and that was part of the research that I was doing last spring it showed that some of those water rights had to be returned to the rightful owner. So, anyway, that's why I scrutinize things. To make sure of the facts. And I do hope to be corrected and I do appreciate, you know, as you file for other things, if you're going to do that, we'll probably protest again in order to get clarification on those things. And it's not an adversarial move, is to get that clarification, to have the State nail it down.

Don Fawson - We have never felt protests were adversarial. We encourage them, for the very reasons that you stated. I think even in talking to Zach when they came out with that proposal to do those deep drill wells and what not, in talking to him, he said '*I would encourage you to protest.*' So, they recognize that those things need to happen. So, no there's never been any feeling of it being adversarial, to me it's just part of doing business. We do the same thing. We appreciate that very much.

Susan Savage - It is one of the ways that the State actually covers their information because they can't be out looking at what's happening with everybody's everything you know.

Doris McNally - We appreciate your comments. I also appreciate your comments on validating everything, check and verify everything. I think it's very true and as you see we've been doing that with our water rights and everything. There's an assumption that the stuff that was done in the past is always accurate and you have to look and make sure it's accurate. You have to make sure that it's so. So, I appreciate your comments on that.

Susan Savage - You know like the people who came with the attorney and said there are not any incumbrances, they probably trusted the attorney too. You know people come to City Council or the

Water Board and they say this is how it is, and you know people can say OK. You know they can say are there any encumbrances, you know then they can accept their word.

Doris McNally - I'm sure they were all quick claim deeds too, which of course they're not the best, but. Thank you.

Don Fawson - Thank you, Susan, I appreciate you constantly looking out for those kinds of things. It's a rare individual that has that kind of background and is able to articulate it that well and not only do that but do it in a kind way. So, appreciate it. Michelle, did you want to say something.

Michelle Peot - So at the last meeting you mentioned that the Water Conservancy had a new 20-year plan that was issued. I occasionally write blog post for Toquerville's citizens blog and so I scrutinized the 20-year plan as well as legislative updates that had sort of made positive changes regarding Water Conservation and one of the things I noticed in there is there was money allocated for groundwater management plans. Of course, I thought do we have one in the area? Because, you know, we're hitting the aquifers pretty hard here and it turns out we do not have one, which is worrisome. So, I made calls to the Conservancy District and Division of Water Rights to figure out who's responsible for that, and that sits with the engineers at Division of Water Rights, and there's currently no timeline for that. So, we recently had a meeting with Zach Renstrom to talk about the 20-year plan. So, I asked if he knew what the status of that was and he just said, oh well, you know, they're behind and they're just hiring people for it. But the concern is then the Conservancy District is largely relying on their own analysis and what they've done in the past is there was one written by USGS scientist who talked about that our hydrology is so complicated with all the fault lines and whatnot and there is interconnectedness between the aquifers, but they don't fully understand all of what happens if you drill here and what not. And it didn't validate that the deep wells were a good idea so, then they hired a private firm to write them another report to say it was fine. So, that is where my concern is because we're putting so much demand on the aquifers from various places that we don't have a plan for monitoring and analyzing the hydrology here. And so, I do understand that the Division of Water rights is overseeing this, they are doing their best effort. But I think there needs to be more holistic vision.

Don Fawson - We appreciate very much you're following through on that. Anyone else want to make a comment? Alright, again, we appreciate all of you being here, appreciate your interest in the water. I don't think any of us individually is smart enough or has enough experience to know everything and maybe it's through our combined efforts, that we can continue to protect the water that we have and hopefully have some for the future. Being able to save the rest of the quality around. It's a challenge. If there's nothing else, then I'll accept the motion to adjourn.

VII. ADJOURNMENT:: [08:18 PM Don Fawson]

VOTE	MOTION TO CLOSE MEETING: Doris McNally SECOND: Alan Cohn MOTION APPROVED: Unanimously
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Layna Larsen, Corporate Secretary

Don Fawson, President



Minutes

Date/Time/Location:	November 15, 2023	07:00PM	Leeds Town Hall
Type of Meeting:	Board of Directors Meeting		
Note Taker:	Layna Larsen		
Attendees:	Members/Staff:	Don Fawson (P), Kurt Allen (VP), Doris McNally (IT), Mark Osmer (Field Mgr), Layna Larsen (Corp. Sec)	
	Absent:	Alan Cohn (M), Brant Jones (M)	
	Shareholders:	Michelle Peot, Susan Savage, Ron Cundick	
	Special Guest:	Steve Newby (Landmark Construction)	

Agenda Topics

I. CALL TO ORDER [Don Fawson- @ 7:03PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	Present: Don Fawson, Kurt Allen, & Doris McNally Absent: Alan Cohn, & Brant Jones

II. PRAYER [Kurt Allen]

III. PLEDGE [Doris McNally]

IV. CONSENT AGENDA, PRIOR MEETING’S MINUTES & POLICY APPROVAL/VOTES [Don Fawson]

CONCENT AGENDA	Consent Agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month’s agenda and the previous months minutes.
VOTE	MOTION TO APPROVE PRIOR MEETING’S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE TONIGHT’S AGENDA: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Don Fawson]

DISCLOSURE	DECLARATION OF ABSTENTIONS OR CONFLICTS		
ADMISSION	Kurt Allen – NONE	Doris McNally – NONE	Don Fawson - NONE

VI. MEETING OUTLINE [Don Fawson]

DISCUSSION	Outline of Meeting [Don Fawson]
<u>Don Fawson</u> – Reviewed Agenda for the meeting.	

VII. OFFICERS REPORTS [All Board Members]

a) PRESIDENT'S REPORT [Don Fawson]

DISCUSSION	Infrastructure Project Activity :: Right of Ways
<p>Don Fawson - Just an update, Riley has been working on cleaning up and updating all the Right of Ways for LDWA, and we're working on the ones we need to finish up on that. I talk to him today and Doris, you're going to be working on that with him. We appreciate both you and Riley for what you do.</p>	

DISCUSSION	Utah Department of Environmental Quality Division of Drinking Water Sanitary Survey
<p>Don Fawson – Sanitary survey has been completed; I think. Are you familiar with what that is? OK, so every three years there's a representative from the State that comes down reviews our Company and water system including: infrastructure, compliance with water safety rules, office management, etc. Back in 2018 when Past President, Sheltman, reported on the results we had 44 deficiency points, which the Board, at that time, thought was pretty good. There was a lag in time on this last one because of Covid 19 lockdown. Mark how many points do we have this time?</p> <p>Mark Osmer - 0, we don't have any points.</p> <p>Don Fawson - That's awesome. We appreciate you, Bundle, Doris and Layna for taking care of our company and getting us to this point.</p> <p>Mark Osmer - And that's a bigger part than doing the actual things, I think so.</p> <p>Don Fawson - Definitely a part of that is reviewing all the records and whatnot, making sure they're all up to date. And Doris last time you had Gary Ragars compliment.</p> <p>Doris McNally - So the gentleman who did the survey, Blake Anderson, who did the review for us on the sanitary survey, initially he said we had two dings on two items he thought we had missed. We called him and said, no, we didn't miss them, we have them. He asked us to just send a photograph and he'll correct it. He said, I have got to tell you, you have one of the most impressive Backflow Connection Programs I've seen. The documentation that's in the company is some of the best I've seen in the State. I mean that's huge because going from 44 points back to 0 is a real accomplishment. None of us were on the Board at that time of the previous review. This is all new people and all new stuff. I couldn't be prouder. I really, couldn't. It's just amazing, it really is.</p> <p>Don Fawson – There was a Town Meeting last night. The mayor did a very good job in moderating that and giving an update. I think Michelle (Peot) could give us a good update on what happened last night.</p> <p>Michelle Peot - My highlights: the Town is moving forward with Grapevine Wash. The Washington County Water Conservancy District will serve them water, but it still needs to go through creating a new development agreement and plat map, so it's not a full agreement at this point. I thought Don gave a really great clarification of what LDWA's scope is in terms of providing the water. There was somebody from the Sheriff's Department talking about increase in crime, a lot of unrelated stuff but didn't really seem to apply too much. We have predominantly animal related issues in Tow, supposedly. The Mayor talked about the fire department and what potentially the impacts might be as these developments get built out. And there are future plans for putting in Clover Leaf on I-15 north of Leeds, which would then impact DOT maintenance of the Leeds Main Street between the current interchanges. But I don't know what the timeline for that.</p> <p>Don Fawson - I don't know either, Kurt do you have any insight into that.</p>	

Kurt Allen - I haven't heard anything about what's going on there.

Doris McNally - The one clarification that I have was when we were talking about the amount of acreage involved in Grapevine Wash, based on the parcels they had given us, they actually get up to 454 acres. The gentleman last night said it was like 300 plus acres and I believe the differential was probably that they removed some of the acreage because of the hillside ordinance issues that they can't build on. So, I think he was stating Developmental Acres. So, I just wanted to make that known. It's still a pretty large swath of land. The piece of information that came out last night was they're looking at 1,200 parcels. That's what they told me personally. But I know that the Mayor said about 1000 and if you duplicate that for a minimum Family size, then you have 2,000 people. So, I think the discussion last night was just talking about the volume of traffic that will bring to the town from a management perspective. So, the developer was there last night, his name is Mike Wagstaff just so we know who he is.

Michelle Peot - The other thing Susan had previously raised was that the Conservancy District has claimed there were some concerns with Leeds water. I asked Zach Renstrom what he meant by that, because he had separately mentioned that to me, and he said that was related to Angell Springs. So, I don't think he knew that they were not related to us.

Don Fawson - I appreciate you doing that and making sure that is clarified whenever he is in meetings and whatnot. We actually have a meeting with him set up at 10:00 in the morning for anybody that could be there, any Board Member that can be there to talk about not only that issue, but also the fact that there has been mentioned that Leeds somehow impacts Angell Spring's spring. I had asked Zack about that, and he had recently sent me their study that was done by Peter Rowley, Gary Dixon, & Mark Layton late in 2016, which focused on the Hydrology of the Ash Creek Drainage Basin, Washington and Iron County, Utah. Haven't had a chance to read that yet. It's about 60 pages long.

Michelle Peot - There is actually two studies. They like that one because they commissioned the engineers to do that study versus the one done by the State. I'll just point that out, but there are actually two papers on their website.

Don Fawson - OK, maybe this is the other one. The other one was a report for Washington County Water Conservancy District, and this is by Peter Rowley also, this one's dated November 2019.

Michelle Peot - There's a third one on their sight. If you look at the information that they were using to leverage for what the impact of drilling those deep aquifers would be and there's one written by scientists and then the one that they commissioned. So, I think I personally would highly leverage the one written by an independent group.

Doris McNally - Michelle, if you have the link, if you could e-mail them to me, I'll just add them in because I think that's a good history to have in our reports.

Michelle Peot - And then I will mention when we had that meeting with Zach Renstrom, he made an off handed remark about Leeds over allocating water, but he did not mention that last night. So maybe you guys can get notification of that, but I do appreciate LDWA being very conservative about allocating water and working within what's a reasonable amount for our Town and not overextending our sources.

Doris McNally - Well, if indeed, Grapevine Wash is working with the Conservancy for their development, the water allocations we have been holding for them based on our past Capacity Studies will be freed up. They have 14 parcels within that development. So we will have that water volume back into our inventory.

Don Fawson - So, if you could just send those to the Board that would be great. The other thing that I wanted to ask you, based on your reading of those reports, was there anything that stood out to you?

Michelle Peot - I think the ones that they commissioned, of the two that I read, that the one was more favorable and saying, 'it shouldn't be a problem to do the deep drilling'. What the paper said that USGS wrote is more, very typical, like scientific inclusion, you know. The interconnectedness between the aquifers is a very complicated situation and this is just the initial study of that. More research is needed because of all the fault lines that we have in the area. We have very complex hydrology.

Don Fawson - I appreciate that. Kind of what was the connection between Leeds, it couldn't be our Spring, so it has to be some perceived connection between our well and Angell Springs.

Michelle Peot - So, I don't know specifically. We were in a session that we couldn't really dig in on the Leeds stuff and I didn't want to call him out there and we didn't really have time. So, it was just really odd to me, and Martha was there as well, that he would make these offhanded remarks in that audience about Leeds.

DISCUSSION	Leeds Irrigation Company :: LWC
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Don Fawson - All right, I appreciate that. I also had a chance to visit with Tom Beach (LWC) and I sent Board Members some information on possible meeting times. He's working on a time with members of his Board right now. He did send me a copy of their Articles of Incorporation. So I have the LWC Articles of Incorporation and I'll try to get that sent out to everybody so you have a chance to read it. It's dated 1934. It was really interesting to see some of the old timers who signed off on this document. So, at this point, let me turn some time over to Mark to go ahead and report on what's been going on the last month?

b) FIELD OPERATION'S REPORT [Don Fawson & Mark Osmer]

DISCUSSION	Monthly Water Quality Test Results
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Mark Osmer - We passed out BacT test again this month.

DISCUSSION	Repairs & Maintenance [UDOT Hydrant Damage]
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Mark Osmer - We've also put in a new fire hydrant just over the Silver Reef Bridge on the Old Grove Rd. This allows us to drain that spring line coming up to the PRV at the Silver Reef turnaround. We changed out some dual check valves plus tested, cleaned and serviced some more hydrants. I was also working with Blake Anderson, from the State, on the sanitary survey. So, at this point in time, we've got, zero points. Then just some general maintenance and checked pressures on all the PRV's. We built and installed a new gate at the end of High Desert Road going up to our tanks. We are working on getting electricity up there to make the gate automatic. Don, Kurt and I meet with Landmark Construction every Tuesday morning for an update on the Conservancy's 24 inch pipeline progress. That's about it.

Kurt Allen - When you opened up the pipeline by the bridge, did the pipe seem to be in good condition?

Mark Osmer - No it was old class C pipe and whoever put it in, installed it in with a bow and when I exposed it and touched it with my little mini grinder, it went, Bang! It split the whole length of the 20-foot section of pipe, and flooded the area. We had to work a little late, but we got it put back together and fixed. Now we know exactly where it goes relative to the bridge, so it's about 8 foot off to the south of the bridge.

Kurt Allen - Are we concerned about that pipe and the longevity of it?

Mark Osmer - Yes, I think its class C going under the Creek.

Don Fawson - But we don't know what is going under the Creek, because we didn't get all the way to the Creek. So, we don't know whether it is steel or whether it's PVC.

Mark Osmer - No, I stopped about 10 feet from the Creek, and it was still PVC then. At some point we could just Pothole. I put a rock exactly where the pipe is and put a blue line on it so, if we ever wanted to look under there, we could just pothole by the Creek and see what it is.

Don Fawson - You know at some point it will need to be taken care of. So, when you replace the old steel 4" line where did you start at the Y or where did you start?

Mark Osmer - Yeah, started at the Y, yeah, cause before where that came down to fill the tanks. It came down and then went under and that was PVC. So, we replaced that with steel pipe with two welded flanges.

Kurt Allen - What Y are you talking about, started at the Y?

Mark Osmer - You know where we put the meter, where you gave us the manhole and stuff, right there. We ran a new line all the way down under the Creek to the tank valves on the other east side of the Creek.

Kurt Allen - Up by the PRV?

Mark Osmer - Nope, the road goes south and we went off the hill to the east feeding the two tanks.

Kurt Allen - Oh, where it goes across country and goes to the tanks.

Mark Osmer - Yeah, those steel lines that go off the hill to the tanks.

Don Fawson - But from there down, from that meter down it is all that class C?

Mark Osmer - Yeah, that was class C. We didn't touch anything from the meter down.

Don Fawson - Probably all the way up to the Silver Reef turnaround?

Mark Osmer - Yeah, it is probably all the way up there, but it is 6-inch, but it's probably the old class C pipe.

Kurt Allen - That's a concern to me, I don't know about the rest of you. We need to keep that in the back of our minds.

c) **TREASURER'S REPORT** [Doris McNally]

DISCUSSION | **Announcements/Billing/Communication – [Doris McNally]**

BILLING

Invoices for September was completed/mailed on October 1st.

NEWSDRIPS

The October's Invoices included the article recommending our shareholder to consider that date to also pause their non-essential irrigation water use, and winterize their system.

As for our November Invoice, I have shared with the Board an article reporting the results of our recent DDW Sanitary Survey

With our Annual Meeting coming up in February we need to Plan ahead about communication about this event. So, for Dec.'s Invoice (Mails Jan 1) I would like to propose an article announcing meeting.

For our January Invoice (mails Feb 1) I would propose a follow-up reminder article. We need to discuss a location. In the past we have utilized the fire station, the Cosmopolitan, and Town Hall. As for the content for the meeting we can use the time between now and then to firm up our agenda.

LDWA News Drips

Need to contact the LDWA, it's simple.
Phone
(435) 879-0278
 Please leave a message, your call will be returned promptly.

- To report an **EMERGENCY** water leak or a loss of water **PRESS 1**
- For a **BILLING INQUIRY**, **PRESS 2**
- For a **GENERAL INQUIRY**, **PRESS 3**

Your message is immediately routed, and a LDWA representative will be in contact.

Email
LDWAcorp@infowest.com

"Tick Tock" on the watering clock

As fall temperatures settle in, and winter months draw closer, residents are encouraged to look for ways to save water outdoors by shutting off irrigation systems until next spring when irrigation season begins again. We encourage all to look for ways to save water.

Saving water indoors can be done by checking for leaks, getting a rebate for a water efficient toilet and running full loads in dishwashers & washing machines. Shareholders are encouraged to visit ldwacorp.org for water conservation tips.

Daylight & Water Savings Time
 Sunday, November 5, 2023 is when we turn our clocks backward 1 hour, consider pausing your non-essential irrigation water use.

Conservation shouldn't end when we turn off our sprinklers and drips. Look for ways to save water today so we have it for tomorrow.

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**Utah Department Of Environmental Quality
 Division Of Drinking Water Sanitary Survey**

All public drinking water systems are periodically inspected to assess their construction, operations, and record keeping. The inspections identify conditions that may present a sanitary or public health risk. Utah state regulations require that a sanitary survey be conducted at least every three years on all public water systems. In early October our water system was inspected.

The results of the inspection were very favorable. Shareholders can review the entire report by visiting the LDWA website at: ldwacorp.org/water-quality-reports/ Or use the QR code shown.

INSPECTION RESULTS

SCAN ME

LDWA News Drips

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Email
LDWAcorp@infowest.com

LDWA ANNUAL SHAREHOLDER MEETING
 The Leeds Domestic Water Users Association (LDWA) Annual Meeting will be on **Tuesday, February 6, 2024 at 7:00 PM.**
 The meeting will be held at **[TO BE DECIDED]**,
[PHYSICAL ADDRESS OF LOCATION]

WHAT TO EXPECT :: Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.

- A valid photo ID is required to gain admission - Attendance at the meeting is limited to shareholders.
- Regardless of the number of shares held, a Shareholder shall have only one vote. The affirmative vote of the majority of the shareholders represented at the meeting shall be the act of all shareholders. The vote upon any business before a meeting shall be by ballot. No proxy voting shall be allowed.
- Agenda items include - the election of two directors for two-year terms, the presentation of the annual financials and other reports.

LDWA News Drips

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Your message is immediately routed, and a LDWA representative will be in contact.

Email
LDWAcorp@infowest.com

Meeting Reminder!

LDWA ANNUAL SHAREHOLDER MEETING
 The Leeds Domestic Water Users Association Annual Meeting will be on **Tuesday, February 6, 2024 at 7:00 PM.**
 The meeting will be held at **[LOCATION]**,
[LOCATION PHYSICAL ADDRESS]

Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.

With that said I'd like to **MAKE A MOTION** to approve the use of the "Sanitary Survey Inspection Report" for our upcoming invoice mailing, and then chat about the location for our Annual Meeting.

VOTE	<p>MOTION TO APPROVE NEWS DRIPS ARTICLE FOR UPCOMING BILLS PRODUCTION: [Doris McNally] SECOND: [Kurt Allen] MOTION APPROVED: Unanimously</p>
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DISCUSSION | **Cross Connection Survey – [Doris McNally]**

Doris McNally - 62% of our shareholders have submitted their survey response back to the LDWA. An email request went out to those shareholders who did not respond asking them to once again mail their surveys in. A PDF version of the survey was included in the email giving individuals the ability to either mail or email their completed survey to the LDWA.

DISCUSSION **Finance – [Doris McNally]**


PAYCLIX

In October we had 80 shareholders paid their bills using this payment option. The total amount collected through PayClix was \$7,535.86.


With 60% paid via credit cards and 40% via echecks.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30
May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46
Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37
Jul-23	49	\$4,755.93	32	\$3,188.46	81	\$7,944.39
Aug-23	48	\$3,720.80	34	\$3,148.02	82	\$6,868.82
Sep-23	50	\$5,937.19	38	\$3,916.83	88	\$9,854.02
Oct-23	44	\$4,494.09	36	\$3,041.77	80	\$7,535.86
	458	\$33,992.85	308	\$22,674.00	766	\$56,666.85

FINANCE [October 2023]

	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. OI:	\$36,233.17	91.0%	Ord. Field OE:	\$13,975.36	52.3%
	Other OI:	\$3,599.62	9.0%	Ord. Admin OE:	\$2,417.31	9.0%
		\$39,832.79	100.0%	Professional OE:	\$1,797.00	6.7%
				Labor Expenses:	\$8,551.30	32.0%
					\$26,740.97	100.0%

The LDWA's Banking Accounts [as of 11/14/2023]

	CHECKING ACCOUNTS			SAVINGS ACCOUNTS		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	1 - Checking	\$81,674.29	33.6%	1 - Emergency Reserve	\$293,684.49	71.8%
	2 - Business Checking	\$161,446.06	66.4%	2 - Loan SRF-3F1892	\$54,851.42	13.4%
		\$243,120.35	100.0%	3 - Impact Fee Fund	\$60,559.21	14.8%
					\$409,094.12	100.0%

DISCUSSION **HYDRANT REPLACEMENT - [Doris McNally]**

Doris McNally - On September 28th, while doing some work on Main Street, UDOT significantly damaged one of our fire hydrants, located on South Main St. Mark has replaced the hydrant and we have submitted all the appropriate documentation and are working with them for financial reimbursement for the damage done. \$8,527.67

DISCUSSION **GIS - [Doris McNally]**

Doris McNally - The GIS data we had Jones & DeMille come out with a reader to help us identify every meter at every single house. So, they have longitude and latitude numbers for every single meter at every single shareholder's house. We took that data, imported it into our RVS computer system and now every single month that information will be downloaded into the unit that Mark uses to read the meters. Not only will he see the individual people's houses, but he will also see the map and he will see the location of every single meter. Although we run at about a 95% accuracy rate with our meter info auto loading data, we do have approximately 5 to 10 meters a month that constantly cause a little bit of an issue and by adding the GIS data in we have been told by the technicians that that should really lower that amount and if it doesn't lower it, we would need to look at those ERT's (Auto Data Communicators) and have Mark change them out for a higher amplification so they'll work consistently. So, once again, given the fact that we never had a GIS system before, we had to rely on Pro Value to supply that data. The fact that we now have our own GIS data that not only are we using for our own development, but that we can also share with the Fire Department is a huge step forward.

Kurt Allen - That's real exciting.

Don Fawson - Thanks Doris. So, you mentioned getting that information to the Fire Department have you made contact with anybody there.

Doris McNally - I reached out to Kohl Furley with the Fire District. He is really busy as there's been a lot of things going on. He promised me he's going to put me in contact with the IT person and I will be able to give him access to that one layer so that they'll see all the hydrants.

DISCUSSION **HYDRANT INSPECTION/MAINTENANCE PROGRAM [Doris McNally]**

Doris McNally - Back in 2020, working with Mark, we developed and implemented a yearly Fire Hydrant Inspection & Maintenance Program. Mark has been conducting Hydrant Inspections & Flushing over the past few months. The LDWA system currently has 125 Dry Barrel Hydrants. Mark has been logging the details surrounding his inspection and this detail (things like flow rates in gals/min, and static psi which gives us valuable detail about the health of our system and can offer valuable information on hydrants in need of repair. Board I've shared with you a copy of the report Mark is currently managing this activity with. Mark thank you for doing this. It's the first time that this level of detail has been captured and its value is great.



LEEDS DOMESTIC WATERUSERS ASSOCIATION
Hydrant Inspection & Maintenance Log



DATE	CAPS			CHAINS			PAINT		DRY BARREL NUT			NOZZELS			NOZZEL 1 OPERATION			FLOW PRESSURE		FLUSHED		DATE	
	MISSING	REPLACED	GREASED	OK	REPLACED	MISSING	OK	REPAINTED	OK	REPLACED	GREASED	OK	LUBRICATED	CLEANED	REPLACED	TURNS TO OPE	OK	LEAKED	STATIC (psi)	FLOW (psi)	OK		GAL/MIN (psi)
A1	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14	<input checked="" type="checkbox"/>	<input type="checkbox"/>	30		<input type="checkbox"/>	650	06/27/23
A2	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	20	<input checked="" type="checkbox"/>	<input type="checkbox"/>	23		<input type="checkbox"/>	630	06/27/23
B1	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	75		<input checked="" type="checkbox"/>	750	08/24/23
B2	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13	<input checked="" type="checkbox"/>	<input type="checkbox"/>	70		<input checked="" type="checkbox"/>	720	08/24/23
B3	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16	<input checked="" type="checkbox"/>	<input type="checkbox"/>	75		<input checked="" type="checkbox"/>	700	08/24/23
B4	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18	<input checked="" type="checkbox"/>	<input type="checkbox"/>	82		<input checked="" type="checkbox"/>	700	08/24/23
B5	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	82		<input checked="" type="checkbox"/>	700	08/24/23
B6	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85		<input checked="" type="checkbox"/>	700	08/24/23
B7	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	85		<input checked="" type="checkbox"/>	750	08/24/23
B8	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17	<input checked="" type="checkbox"/>	<input type="checkbox"/>	80		<input checked="" type="checkbox"/>	820	08/24/23
B9	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	90		<input checked="" type="checkbox"/>	840	08/24/23
B10	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	15	<input type="checkbox"/>	<input checked="" type="checkbox"/>	95		<input checked="" type="checkbox"/>	900	08/24/23	
B11	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15	<input checked="" type="checkbox"/>	<input type="checkbox"/>	95		<input checked="" type="checkbox"/>	900	08/24/23

d) BOARD MEMBER REPORT [Brant Jones]

DISCUSSION **Infrastructure Project Update - [Kurt Allen]**

Kurt Allen - I got to be right honest with you it has been a busy month, and I haven't been able to spend much time with Riley. He's been busy doing his job and working towards getting the well contract out the door and getting the permits from the Forest Service and the BLM. So, the last time that I talked with him he indicated that the permitting process was still moving forward for both the well site and the pipeline coming down from the spring through the Forest Service land. I don't have any new information on that from last month, but it is moving forward. So, I'm going to move right into the 24-inch pipeline from the

Washington County Conservancy District and we'll have Steve Newby from Landmark Construction give us a report on how they're doing and then we'll talk about where we fit into the picture.

Steve Newby - So, it's one of those things where somebody placed a bunch of rock in our way at the moment. So, we have hit bigger rock than anticipated as we're going up the Harrisburg Hill. It has slowed us down significantly and we are trying to get the right backhoe hammer on site. It's hard to get that piece of equipment right now but it's coming. Other than that, we are trying our best every day to get up that hill. We will have a crew starting out Monday at the North end of Town at Babylon Road as was spoken about in the Progress Meeting on Tuesday. Everything's good, your pipe for LDWA is coming in and I think next week the rest of some other pieces that will be coming out according to Dave our Ferguson Supply Representative, excluding the brass fittings. But when we do get those fittings, I will let everybody know when they start coming out.

Kurt Allen - I think we have the fittings scheduled to come Tuesday, didn't we?

Steve Newby - Was it Tuesday? I've been trying to get updates from him and it's just been a phone call to phone call. I know there is stuff that we're still missing on our end, but it's coming along. We got a lot of stuff delivered the last couple of days. We've got about two weeks of work bolted up on our valves and fittings and stuff like that. So that will save a lot of time when we get to those positions. So other than that, it's going great.

Kurt Allen - Yeah, if you can just get through that rock.

Steve Newby - Yeah, we'll get it. So, any other questions or concerns. You have my number.

Kurt Allen - We do, we have been in touch with you and with Nate Simpson (Landmark Construction Owner) all the way through here and we are hoping you get through the rock and get some production going, because of course that impacts when you're going to get into Town and start on our project. We're anxious to get you here.

Steve Newby - We want to just kind of take our time working through Town and get it right the first time.

Don Fawson - You should have asked us if we knew if there were any rocks around here.

Kurt Allen - I've been working with Riley and Dave Kent with Ferguson on the inventory for our material, and fittings. Riley's ready to have a representative here to work with Mark and Don to count those and do inventory when they arrive and check them off. Once they have verified that they've arrived then we'll turn them over to you.

Steve Newby - We're ready. Yea, I got a list from Dave. Emails all Schedule B Parts and fittings so, I got that as well. I can print it off one for me and one for Clint Hardman (Landmark foreman). We'll be there to verify. So, we are on it. If we're missing something, it's going to take time to get it. So, we need to catch that early on.

Kurt Allen - Yeah, for sure.

Steve Newby - And that's all I've got.

Don Fawson - I've been impressed in working with Nate, Steve and Clint and all the other crew down there. On those Tuesday morning meetings there is an extreme amount of detail they cover. Their emphasis on safety and quality and timeline and all those kinds of things. So, thank you.

Steve Newby - We appreciate it. I just started with them in September, and I've been impressed as an employee by the support group that they have, and Nate has in that system of communication in the company. It's really good.

Kurt Allen – Nate's a good owner/manager. He knows what he is doing, and he has a good team that makes him look good as well.

Steve Newby - Yeah, really.

Ron Cundick - Do you have any security issues with all this material?

Kurt Allen - Security issues or concerns on the storage site?

Ron Cundick – Yes.

Kurt Allen - We have been working with Landmark on that and they've got the site fixed up so that they close and lock their gate every night. Nobody can just drive in there. They would have to walk in if they did go in. They could walk in, but it's not a big threat that way. I think we just need to keep our copper and our brass protected. Not just in Connex's but protect the Connex's and make sure that those are blocked off at night so no one has access to the locks.

Steve Newby - We have a 950 loader right up against the door, so they can't get up to it.

Kurt Allen - Yeah, you'd think Conex's would be secure, but they're not. They're just targets for thieves to go after.

Don Fawson - I know at one time it was kind of a rumor that maybe they would put a trailer down there and have a watchman.

Steve Newby - We had a trailer, and he wasn't liking certain things, so, he hooked up and left. So, we're still looking to see if that's a possibility.

Kurt Allen - That would be nice to have somebody staying there.

Steve Newby - Do you want to move down there.

Kurt Allen – Actually, no.

VIII. SHAREHOLDERS COMMENTS

SECTION SET-UP	Shareholders Input [Don Fawson]
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Don Fawson - Procedures for making comment:

- 1) Shareholders must step to the podium to make comments,
- 2) Clearly state your name and then ask your question,
- 3) Please limit your time to 3 minutes per person
- 4) No Action may be taken on a matter raised under this agenda item
- 5) Comments need to be confined to issues, not individuals.
- 6) If an item or question has already been discussed, we will cordially move on out of respect for everyone's time.

DISCUSSION	Water Rights Comments [Susan Savage]
<p>Don Fawson - At this point then, I think we're just going to open it up for anybody. Susan, did you have anything you want to share with us tonight?</p> <p>Susan Savage - I didn't have anything in particular. I didn't know which studies you were talking about, though. The Rowley study was mentioned from the Washington County District's website and I read a couple. It's been two or three months since I read those reports, and the one report that sounded very favorable to the water situation ended by saying, "None of this can be counted on until some monitoring is done." And so, I thought that that was really important.</p> <p>Don Fawson - Appreciate that, Susan. Michelle?</p> <p>Michelle Peot - The other thing that is of concern again, is the Virgin River Basin Watershed Management Plan. It is still up in the air. So, it's a little concerning when the Washington County Conservative District is moving full steam ahead on things without having that in place. That's kind of the holistic picture of that watershed, including where we get water.</p> <p>Don Fawson – Ron, do you have anything?</p> <p>Ron Cundick - No</p> <p>Well, with that I'll asked for a motion to dismiss.</p>	

VII. ADJOURNMENT:: [07:49 PM Don Fawson]

VOTE	MOTION TO CLOSE MEETING: Kurt Allen SECOND: Doris McNally MOTION APPROVED: Unanimously
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Layna Larsen, Corporate Secretary

Don Fawson, President



Minutes

Date/Time/Location:	December 20, 2023	07:00PM	Leeds Town Hall
Type of Meeting:	Board of Directors Meeting		
Note Taker:	Layna Larsen		
Attendees:	Members/Staff:	Don Fawson (P), Kurt Allen (VP), Doris McNally (Tres./M), Brant Jones (M)	
		Mark Osmer (Field Mgr), Layna Larsen (Corp. Sec)	
	Absent:	Alan Cohn (M)	
	Shareholders:	Susan Savage, Ron Cundick, Amy Jones, Terry Allen	

Agenda Topics

I. CALL TO ORDER [Don Fawson- @ 7:03PM]

CALL TO ORDER	Don Fawson - Lets begin. We would like to welcome you here tonight.
ROLL CALL	Present: Brant Jones, Don Fawson, Kurt Allen, & Doris McNally Absent: Alan Cohn

II. PRAYER [Don Fawson]

III. PLEDGE [Don Fawson]

IV. CONSENT AGENDA, PRIOR MEETING'S MINUTES & POLICY APPROVAL/VOTES [Don Fawson]

CONCENT AGENDA	Consent Agenda consist of the acknowledgment the meeting notice was posted. It is also a vote to accept this month's agenda and the previous months minutes.
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE TONIGHT'S AGENDA: Doris McNally SECOND: Kurt Allen MOTION APPROVED: Unanimously

V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Don Fawson]

DISCLOSURE	DECLARATION OF ABSTENTIONS OR CONFLICTS		
ADMISSION	Kurt Allen – NONE	Doris McNally – NONE	Don Fawson - NONE
	Brant Jones - NONE		

VI. MEETING OUTLINE [Don Fawson]

DISCUSSION	Outline of Meeting [Don Fawson]
<u>Don Fawson</u> – Reviewed Agenda for the meeting.	

VII. OFFICERS REPORTS [All Board Members]

a) PRESIDENT’S REPORT [Don Fawson]

DISCUSSION	Utah Department of Environmental Quality Division of Drinking Water Sanitary Survey
<p>Don Fawson – I’m happy to share that we passed our DDW Sanitary Water Survey. Let me explain. All public drinking water systems In the State are periodically inspected to assess their infrastructure, operations and record keeping. The inspections identify conditions that may present a sanitary or public health risk. Utah State regulations require that a sanitary survey be conducted at least every three years on all public water systems except transient non-community water systems that use only protected and disinfected groundwater. Sanitary Surveys are conducted either by the Division of Drinking Water (DDW) Personnel, Utah Department of Environmental Quality (DEQ), district engineers, local health officials, Forest Service engineers, or other qualified individuals authorized, in writing, by the Department of Drinking Water Executive Secretary. Surveyors are required to use the Desktop Electronic Sanitary Survey software developed by the Division of Drinking Water Academy. So, a little recent history, prior to the recent survey we underwent in 2023, the previous one was held in 2018, which is five years ago. The survey was Supposed to occur in 2021, but was delayed to this year due to the COVID pandemic. In 2018, the LDWA was assessed 44 deficiency points. Things that were called out were a lack of written office records on cross connection activity, lack of records regarding enforcement of across connection programs, lack of updated emergency response program and lack of updated source protection program for the Well and Spring. In the field, there was lack of field engineer operator training, Tyson Riding was the Field Operator at that time. Deficiencies: Gap in cover on the Oak Grove Spring. No smooth nose sampling bib on the well discharged. No check valve piping on the Leeds well. Air vent relief needs some screening. Again, in 2023 all the 15 issues were corrected. There were some other things that the surveyor found that he wanted done. These were also completed. We greatly appreciate Mark correcting those deficiencies. He'll talk about that in just a minute. Anyway, the final assessment is now 0 deficiency points and I just want to say that there is a tremendous amount of work that went into this on the part of Layna, Doris, and Mark getting it all this done and up to date and then getting the report work taken care of and submitted. The work done by the current Board in establishing a Cross Connection Program and its implementation is being used by the Rural Water Association of Utah, as a case study. With Doris, Mark and Don making a presentation at the Rural Water Associations Annual Midwinter Conference in Saint George, and with the production of materials and LDWA templates for records and survey outreach. These materials included: program reports, educational brochures, our News Drips Articles, which is on the back of our monthly bills, surveys and website content. The Rural Water Association of Utah and the Department of Environmental Quality has also made commendation for how shareholders have been responsive to the outreach survey which we've conducted this year. So a big thanks to you, our shareholders. We appreciate your cooperation and, as seen in the news drips article last month, we posted the results of the 2023 Sanitary Survey on our Website so you have access to that as well.</p> <p>Kurt Allen - I want to compliment Doris, Layna, and Mark on that Sanitary Survey. I know enough about that to know that it takes a lot of work and it's really commendable that you've got that at zero. I would dare bet that there's not a handful of other companies in the whole State that get zero points on that. So, good job.</p> <p>Mark Osmer - That's a job well done to Doris and Layna. They did most of the reporting work.</p>	

DISCUSSION	Rural Water Conference [Doris McNally]
<p>Doris McNally - I want to share that they have actually asked us to submit our water to the next Rural Water Conference for the best tasting water in Utah. Three people have reached out to us to keep reminding Mark to make sure he submits Leeds Water this year. That's how impressed they are with how</p>	

things are going. Note: Don has shared that at a recent meeting with Zach Renstrom, WCWCD Director, he said he has no problem drinking LDWA water and could not say the same for all water systems.

b) FIELD OPERATION'S REPORT [Don Fawson & Mark Osmer]

DISCUSSION	Monthly Water Quality Test Results
Mark Osmer - We passed out BacT test again this month.	

DISCUSSION	Repairs & Maintenance [UDOT Hydrant Damage]
Mark Osmer - This month we replaced dual-check valves in 36 of our meters, so we've just about got the required 10% annual replacement complete. I think I've got four more to do.	
Layna Larsen - You only have 2, because I went and double-checked addresses and two of them you had the wrong address down and I located the correct address leaving you only two.	
Mark Osmer - OK, so I got two more to do which brings us up to our 10% for this year.	
Don Fawson - Excellent. Thank you, Mark.	
Mark Osmer - We flushed more hydrants. We received a call at 585 Redcliff Road that there was water in front of the driveway. Called Blue Stakes and started excavating to find the water and we found water coming in about 3 foot down. We couldn't find the actual pipe, so I dug from the Meadow back to the main line, traced it back and it turned out not to be our main line. It was just groundwater or a spring down there. So, we ended up having to dig it out for nothing, but we pumped all the water out. We put some gravel in there and I still have some cones up there because the ground was still pumping a little bit and wet. While we were down there, we found two air vacs that were on the Graft Ranch that needed to be replaced. They're all done now.	

DISCUSSION	WCWCD Project Weekly Meetings with Landmark [Mark Osmer]
Mark Osmer - We've been meeting with the Landmark Construction team weekly to keep up on their progress on the WCWCD 24" pipeline. We, Kurt, Don and I meet with them on Tuesday's. They are not having a meeting for two weeks, so not next Tuesday, but the following Tuesday after New Year's is the next meeting. I think that's about it.	
Don Fawson - So, you gave them some feedback?	
Mark Osmer - Yeah, because people were complaining about the lights, not so much at the South end, but the north traffic lights. They had them up in the night. People are jumping the red lights all the time now. They were on over the weekend and there was no construction. So, I asked him, if they could turn them off and just pull the cones in? They could leave the lights up, but just pull the cones in.	
Kurt Allen - Yeah, they need to do that on the North end, the South end works because they can't see over the hill and people don't dare go.	
Mark Osmer - Yeah, but I've seen a bunch of people on the North end go on a red light. They just need to pull their barricades out of road.	
Kurt Allen - Yeah, just pull them in on the weekends when they're not working for a few days.	

Layna Larsen - But the South End doesn't work efficient, because I was going South, and I sat there for 15 minutes with nobody coming.

Don Fawson - You know it seems like that, what they said is that they have the lights set so that it's meant to be about four minutes. So, when it changes to green, the green will stay for 45 seconds and then it will turn red and stay red for three minutes. The reason it stays for three minutes is so they can get some work done in between lights. But it does seem like it's 15 minutes.

Kurt Allen - Yeah, that seems like a long time. But they are on timers.

Don Fawson - Did you go Tuesday?

Kurt Allen - I didn't, but Mark did.





Mark Osmer - Yeah, I was there Tuesday.

Don Fawson - Anything new at all?

Mark Osmer - No, they're still stuck in that rock on the Harrisburg Hill. So, they're struggling getting through that. Not too much progress.

Don Fawson - OK. Thank you. Doris

c) TREASURER'S REPORT [Doris McNally]

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]
<p>BILLING for November was completed/mailed on December 1st.</p> <p>NEWSDRIPS The November's Invoices included an article reporting the results of our recent DDW Sanitary Survey</p> <p>With our Annual meeting coming up in February we approved last month that the back of December's invoice will included the announcement of our upcoming Annual Meeting in February.</p> <p>For our January Invoice we approved an Annual Meeting reminder notice.</p>	<div data-bbox="909 1018 1096 1354"><p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p><ul style="list-style-type: none">• To report an EMERGENCY water leak or a loss of water: PRESS 1• For a BILLING INQUIRY, PRESS 2• For a GENERAL INQUIRY, PRESS 3<p>Your message is immediately routed, and a LDWA representative will be in contact.</p><p>Email LDWAcorp@infowest.com</p></div> <div data-bbox="1112 1039 1453 1344"><p>Utah Department Of Environmental Quality Division Of Drinking Water Sanitary Survey</p><p>All public drinking water systems are periodically inspected to assess their construction, operations, and record keeping. The inspections identify conditions that may present a sanitary or public health risk. Utah state regulations require that a sanitary survey be conducted at least every three years on all public water systems. In early October our water system was inspected.</p><p>The results of the inspection were highly favorable.</p><p>Shareholders can review the entire report by visiting the LDWA website at: https://ldwacorp.org/water-quality-reports/</p></div> <div data-bbox="909 1375 1096 1711"><p>Need to contact the LDWA, it's simple. Phone (435) 879-0278 Please leave a message, your call will be returned promptly.</p><ul style="list-style-type: none">• To report an EMERGENCY water leak or a loss of water: PRESS 1• For a BILLING INQUIRY, PRESS 2• For a GENERAL INQUIRY, PRESS 3<p>Your message is immediately routed, and a LDWA representative will be in contact.</p><p>Email LDWAcorp@infowest.com</p></div> <div data-bbox="1112 1386 1453 1711"><p>LDWA ANNUAL SHAREHOLDER MEETING</p><p>The Leeds Domestic Water Users Association (LDWA) Annual Meeting will be on Tuesday, February 6, 2024 at 7:00 PM. The meeting will be held at The Cosmopolitan Building, 1915 Wells Fargo Rd, in Silver Reef, UT 84746.</p><p>WHAT TO EXPECT :: Shareholders who plan on attending the meeting are advised to arrive at the venue well in advance to allow sufficient time for registration processing.</p><ul style="list-style-type: none">• A valid photo ID is required to gain admission - Attendance at the meeting is limited to shareholders.• Regardless of the number of shares held, a Shareholder shall have only one vote. The affirmative vote of the majority of the shareholders represented at the meeting shall be the act of all shareholders. The vote upon any business before a meeting shall be by ballot. No proxy voting shall be allowed.• Agenda items include - the election of three directors for two-year terms; the presentation of the annual financials and other reports.</div>


PAYCLIX

In November we had 89 shareholders who paid their bills using this payment option. The total amount collected through PayClix was \$6,857.69.

With 59% paid via credit cards & 41% via echecks.


	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-23	39	\$2,042.98	26	\$1,448.97	65	\$3,491.95
Feb-23	42	\$2,686.29	27	\$1,050.32	69	\$3,736.61
Mar-23	47	\$2,156.00	29	\$1,593.07	76	\$3,749.07
Apr-23	45	\$2,267.30	28	\$1,130.00	73	\$3,397.30
May-23	45	\$2,664.39	30	\$1,703.07	75	\$4,367.46
Jun-23	49	\$3,267.88	28	\$2,453.49	77	\$5,721.37
Jul-23	49	\$4,755.93	32	\$3,188.46	81	\$7,944.39
Aug-23	48	\$3,720.80	34	\$3,148.02	82	\$6,868.82
Sep-23	50	\$5,937.19	38	\$3,916.83	88	\$9,854.02
Oct-23	44	\$4,494.09	36	\$3,041.77	80	\$7,535.86
Nov-23	49	\$4,075.95	40	\$2,781.74	89	\$6,857.69
	507	\$38,068.80	348	\$25,455.74	855	\$63,524.54

FINANCE [November 2023]

	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. Ol:	\$25,402.53	93.6%	Ord. Field OE:	(\$5,546.49)	579.3%
	Other Ol:	\$1,723.71	6.4%	Ord. Admin OE:	\$2,574.27	-268.9%
		\$27,126.24	100.0%	Professional OE:	(\$4,130.00)	431.3%
				Labor Expenses:	\$6,144.74	-641.8%
					(\$957.48)	100.0%

* the negatives (credits) are a result of reimbursements from one of our developers to expenses incurred engineering plan review and water share transfer review.

The LDWA's Banking Accounts [as of 12/14/2023]

	CHECKING ACCOUNTS			SAVINGS ACCOUNTS		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	1 - Checking	\$84,838.91	34.4%	1 - Emergency Reserve	\$294,691.07	68.0%
	2 - Business Checking	\$161,446.06	65.6%	2 - Loan SRF-3F1892	\$78,083.77	18.0%
		\$246,284.97	100.0%	3 - Impact Fee Fund	\$60,561.70	14.0%
					\$433,335.54	100.0%

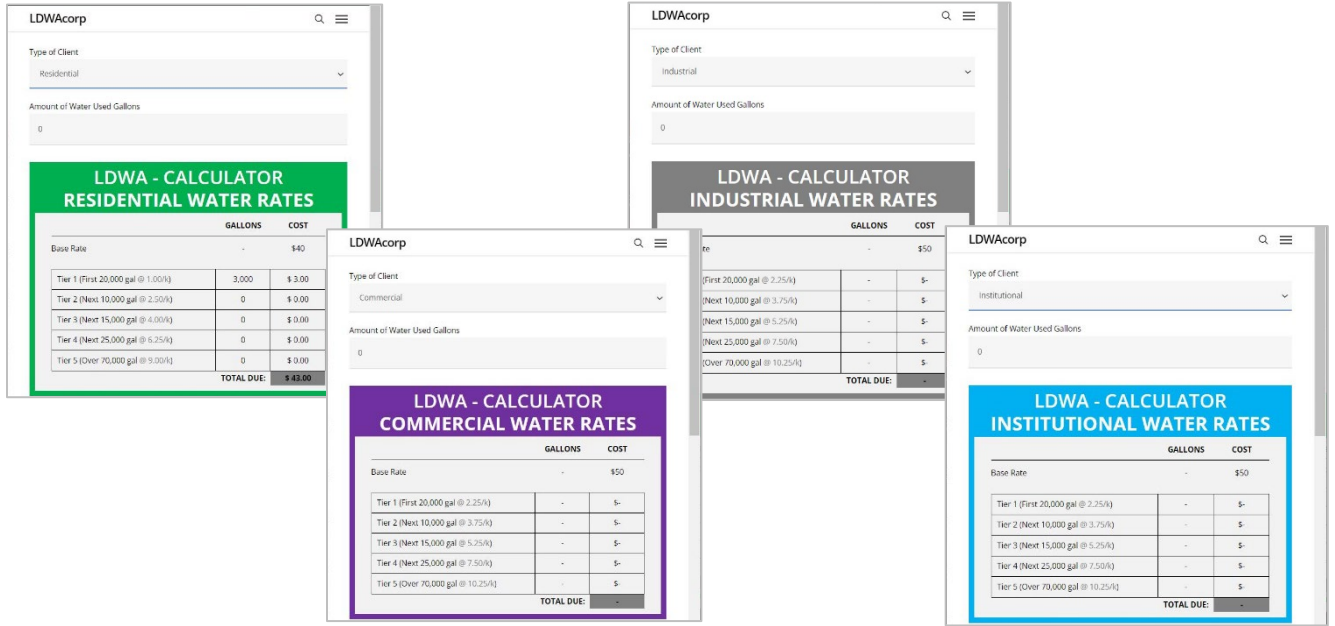
So once again, this is the first time we are really looking flush. But I just want everybody to understand it's not like we can go ahead and have a party. This is all money that has been outline to specific accounts and specific projects and we're managing it very tightly. Each one of the projects has their own budget so as the bills come in we have to submit them to the Division of Drinking Water, they review them and then they pay us. So, it is going to be tight management for a little while.

DISCUSSION

WEBSITE :: New Feature [Doris McNally]

WATER RATE USAGE CALCULATOR

We have added a new feature to our LDWA website. With the new tier structure, we implemented in April, offering our shareholders a way of easily calculating & seeing how the tier structure works, seemed like a helpful tool. It supports all our shareholder types (Residential, Commercial, Industrial & Institutional.) It's simple to use and will be added to the Billing/Rates tab > under Rates & Fees.

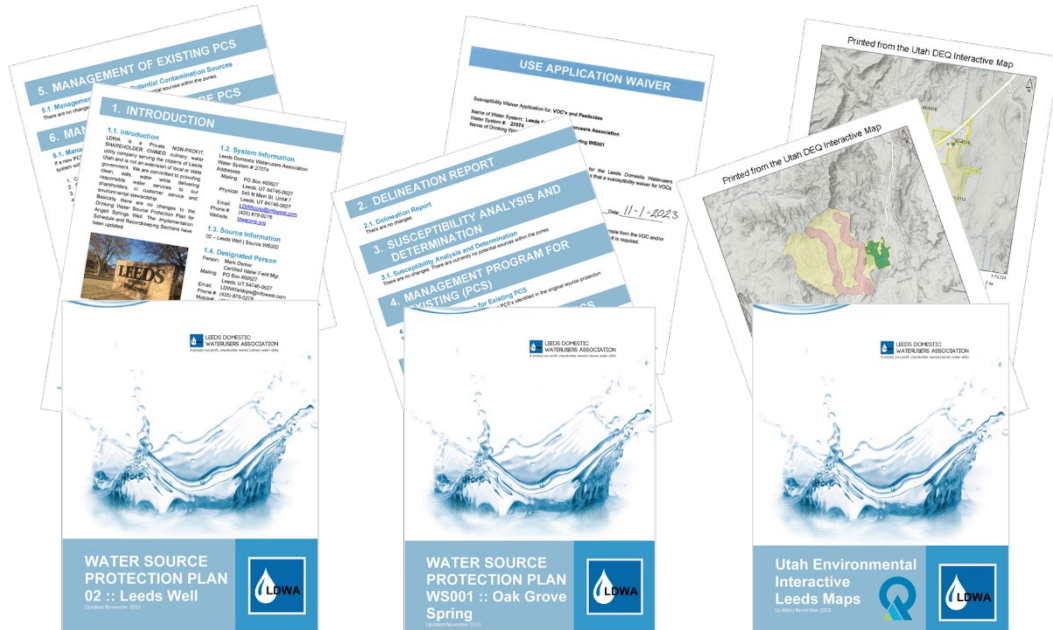


DISCUSSION

WATER SOURCE PROTECTION PLAN [Doris McNally]

WATER SOURCE PROTECTION PLAN

We have updated and our Water Protection Plans for our WELL & the OAK GROVE SPRING. We also created Utah Environmental Interactive Maps for Leeds and added them to our records. The submission of these were done as a part of the recent Sanitary Survey and are posted on our website under the System Quality Tab.



When we went through our Sanitary Survey, I was under the understanding from previous people who worked at the company that the water source protection plan was something that was done through the Sanitary Survey. Well, it is not, it's a separate activity and apparently the last time they have on record

that this company did a protection plan was 2006 and it's due every six years. So, what I did is in October I rewrote the protection plans. We only need to do one for the Well and the Oak Grove Spring. I also gained access to the Protection Plan environmental maps and downloaded all the maps for our area to show that we don't have any contamination in our area. I submitted those and we had ten points removed from the 44 that Don mentioned earlier, we have had ten points hanging out there for years that were never addressed. I contacted the DDW and was told it probably would take a few months for them to get removed off the system. They were removed within 30 minutes after they saw the plan. So that's just another level of work that's being done to address things that were just lost in the past. And as Layna and I do these things, we've been writing instructions and trying to document them so that others can understand how to do them. But as Board Members, there's a lot of administration work that's going on that I don't know if everybody fully understands, but this one was a big one. This one was causing us points and all it needed was a little attention to it and it went away.

Don Fawson - Thank you Doris so much, we really appreciate that. There is a lot of things administratively that go on that we don't know about, probably don't even want to know about, but we do appreciate very much what gets done.

Doris McNally - I really do think we should all be proud of the things that have happened this year. It's really going to be a wonderful Annual Meeting because we have some really great stories to tell and there has been a lot of good things coming out of people's feedback about how we've been running the company.

Don Fawson - And I hope that everyone appreciates Doris and Layna and the tremendous amount of work they do. As I said there's a lot of things that go on in the office. It isn't that we don't think these things are important, it is just that it takes someone paying attention to it and getting it done. So, Thank you.

d) BOARD MEMBER REPORTS

DISCUSSION	Easements - [Kurt Allen]
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Kurt Allen - Another thing I'd like to make a comment on is that for the loan DDW required us to investigate all the easement documents held by the LDWA and we are working on two situations where lines & hydrants were placed on shareholders properties (with their knowledge & approval) but proper documentation of easements were not done. This of course is important not only for the shareholders involved to resolve but for LDWA as it is needed to insure we have proper management of the line & hydrants for maintenance and repair.

Doris McNally - Kurt, I have a question on the easements. So, the last two pipelines needing easements were done many years ago. I believe there's an application for extending a water line or placing a hydrant. We could add into that application the requirement that an easement needs to be signed. I mean we could actually add that in and that way it wouldn't be lost because it sounds like it's something that was just missed previously. So, if I work with Layna and we can put that into the application, then at least it will be a part of that application that the customer signs off on when they get a Fire hydrant on their property, does that sound like it would work a little bit better?

Don Fawson - So, you are saying the easement should be part of the application.

Doris McNally - Yeah.

Don Fawson - I agree with that.

Kurt Allen - I think that's a good idea.

Doris McNally - We'll put that in there.

DISCUSSION	Main Street Project
<p>Kurt Allen - As for the projects, like Mark said, we've been attending Landmark Constuction's weekly progress meetings on Tuesdays for the Water Conservancy District line. The ones that I've been to, they have welcomed us there and welcomed our input and given us time to talk and they want us to be a part of their project there. Of course, they are not to the point of doing our portion of the project as of yet but with this kind of routine and communication, I think that when they do get into Town, it's going to continue to run really smooth. We've spent time with the contractor going through Town and going over each of the intersections, each of the connection points and bringing them up to speed and educating them on what they can look forward to. Mark has done a very good job with that and keeping in touch with them. As Mark reported, we've been checking in the materials and all of our materials with the exception of the service materials, the poly pipe, and the meter setters. The other materials are on site. They have them stockpiled in their yard. They're being protected and secured with their fencing and their gates, and we have them all wrapped up. I say we, Mark's done a great job getting them all wrapped up with tarps and protected from the weather and the sun because it's going to be a little while before they get to our portion of the project and then they'll start dipping into them. But the inventory has been done so now that material is the property of the contractor.</p>	

DISCUSSION	The Well project
<p>Kurt Allen - I reported this last month that the BLM has given us a verbal approval for a categorical exclusion on the well property, to drill the well. They just haven't issued the permit yet but what that does is that gives Jones and DeMille the confidence that they can continue forward with their design and finish the design of the Well so that they can get that out for contract. They're planning on another six to eight weeks and then they'll have that ready to go out to bid. So, around the end of January we will have the Well project going out to bid and hopefully get that under contract prior to our Annual Meeting so we can report on who the contractor is. So, that is probably the next item on the table.</p>	

DISCUSSION	The Spring Line Project
<p>Kurt Allen - The Spring line is just a little bit more convoluted. The Forest Service is cooperating and working through the permitting issues. But, in talking with Riley, he's hopeful that he can actually have the Forest Service permit for the Spring Line by the end of January as well. If we can gain some kind of a comfort level like we have with the BLM, we'll let that out to bid for a qualified contractor as well. Now that's different than bidding it out and hiring a contractor to physically do the work. We'll just let out a bid for what they call an RFQ, and it's a qualified contractor bid is all that is. So, we can then choose the contractor that we feel is best qualified for the job. Then we can continue to work with that contractor for the next few weeks or even months, depending on how long the Forest Service takes. We will be getting our final design done of the project with the contractor. We'll go on site, we'll drive the road, we'll talk about the routing of the pipe and what rock ledges we want to avoid, instead of trying to dig through them We will work with the contractor on taking the best possible route within the road right of way to get from the Spring down the five miles into the connection point. So, that will be an exciting time to be able to team up with the contractor and let them be a part of the design and the project so when the contract is actually let out to construct the job, the contractor knows all the ins and outs and is well informed and familiar with it. By following this process we've brought the contractor into partnering on the project final design so they have buy-in to give us the best possible product.</p> <p>And so, it's kind of an exciting time, next spring it's going to be fun to see these projects come through. Next spring is going to be when we're going through Town with our project with the Washington County Conservancy District. There's going to be a lot going on. That's my report.</p>	

DISCUSSION	Agreement with Town
<p><u>Kurt Allen</u> - One other thing Don, I think that the Board needs to pursue our relationship with the Town and the agreement that is pending and, if I understand it right, Peter Gessel, our attorney, is committed to have a report back to us by the first week of January.</p> <p><u>Doris McNally</u> - The beginning of January, Yes</p> <p><u>Kurt Allen</u> - The beginning of January so we can resume that discussion.</p> <p><u>Ron Cundick</u> - If I can just say a word on that. So, one of the reasons we haven't tried to finalize the proposed ordinance is because we want to make sure that we are in concert with LDWA and what their plans are. It doesn't do us any good to write something if it doesn't work.</p> <p><u>Kurt Allen</u> - Thank you for that.</p> <p><u>Ron Cundick</u> - With all the things coming online, especially this next year, we need to know where LDWA stands because, for example, if we were willing to contract out to provide maintenance and so forth to some of these subdivisions coming in. Then, the maintenance provider would need to get in early, so they are consulting with Town and the provider so they know what's going on. So, when the provider, LDWA or other, comes in to maintain a system, they understand what the system is, and what has to be done, and they may even have to have the contractor bring in certain materials, and that kind of thing ahead of time, I don't know. But I'd like to see LDWA in place if it works out that way so that we could turn to somebody, say, OK, you want to do this subdivision over here, you're going to need somebody to provide the maintenance and so forth. Then we make this happen, don't wait till Sunday, till it's too late, they've already finished the infrastructure you don't know anything about the system. That is my thinking on it.</p> <p><u>Kurt Allen</u> - I think it's really important that we keep this moving along.</p> <p><u>Doris McNally</u> - Are there any other developments other than Grapevine Wash that you are aware of? Because we kind of heard about that at the at the Mayor's Fireside Chat Meeting.</p> <p><u>Ron Cundick</u> - There are some right now that are in process already under LDWA, the Silver Point, Silver Eagle, and Silver Creek Estates.</p> <p><u>Doris McNally</u> – They are ones we are aware of.</p> <p><u>Ron Cundick</u> - At another time, I would like to brief you on the meeting I had with Aaron Langston about Silver Creek. Information that would be useful to you.</p>	

DISCUSSION	LWC [Brant Jones]
<p><u>Brant Jones</u> – There are a couple of items that LWC has been working on. The more we work on them the more interesting it gets. I will only talk about the ones that deal with the combination of the LDWA and the LWC for the purpose of this meeting. One of them is - we were looking at the possibility of LDWA reading the meters that LWC may be installing. LWC did file for Federal funding for installing meters and they were granted, but then in the process of getting all the details for that, we also found out that there are quite a few exemptions, and we actually may qualify for some of those exemptions. For example, one of them is the requirement under the Law requiring meters is that we would have to have a reservoir that we could store water, and we don't. So anytime there's a community of irrigation waterers whenever there's water in the stream is the only time you can use it, that may be an exemption for us. Next week we are going back to meet with the State Water Engineer, Nathan Moses, to discuss that, just for him to kind of clarify</p>	

that for us. We have the main meter for the whole system that they are happy that we have, but as far as all the details, it really doesn't meter everyone anyway, it is just the small users. It also turns out that there's dozens of small towns across the State of Utah that were also granted the Federal money, but there's so many other additional requirements if you take the money, so they are all saying, well, wait a minute, maybe we will file for an exemption. That would affect our working together on meter reading.

Another issue we discussed was the agreement that is between the LDWA and the LWC. I think part of it is the "first right of refusal." I think everybody agrees we would like any water that is in Leeds to stay in Leeds. The tricky thing is the LWC the irrigation water, if they were to sell and transfer into the culinary system there is only so much water that would be transferable, I guess into the drinking water easily and so that becomes a little sticky because you have a bunch of shareholders in the company and if some sell first or fast, it may affect the price of the water for the remaining shareholders, and deciding who would be able to transfer to culinary, so that's part of the problem. And the other part of it is that just like the LDWA, the LWC has a delivery system that assesses the Shareholders to maintain the pipe, pressure reducers, and all the valves and all of the maintenance that's required. If the shares sell down, how do you assess people and do you over bill or increase the billing for people who don't sell to maintain the same system because it's going to cost the same amount to maintain a system for two people as it will 200, because there's the same pipelines and everything involved. So those are things we are trying to work through. It seems like it should be a simple fix, but I think the end game is everybody's interested in not having any water leave Leeds that can be used here and being able to prove up on it. Just kind of a side note, as far as the judication goes, we checked with Nathan, and this is also kind of the interesting thing with the Town. The Town has passed ordinances over time to limit animals in The Town of Leeds. That has affected irrigation because irrigation is also allotted for animal use. So, if you can only have one or two animals so we file for a non-use on the animals and change application to go back to land. It's not as much. I mean animals don't drink as much as it takes to raise crops but that is another dynamic we are dealing with.

Just the fact that the Town, and the LWC, and the LDWA are really working together to make sense of the water for the betterment of the whole Town. It's really exciting. It's a good time for Leeds.

Don Fawson - I think that's a good way to put it, it's exciting. I really appreciate your report.

Brant Jones - You can read the lack of meetings from the past.

Don Fawson - That's a good point, trading irrigation, not all of it, but a portion, then puts a greater burden on the remaining shareholders to pay the debt that's left owed on whatever loan you have out there.

Brant Jones - Loan and then ongoing maintenance as well.

Don Fawson - So one of the things I wanted to ask you to do if you could, is to get us a copy of your pricing scheme.

Brant Jones - Yeah, I've actually tried to make contact with Shannon, I left messages and tried to get the information on that. For over a week I have left messages and called with no answer so as soon as I get that I'll get it to you. It is different though depending on where you are on the system. So, you know if somebody's getting it all the way to their home on the pressurized water versus the short delivery system that comes over to our system for the savage water, that's a smaller assessment. And then let's look at the water that the LDWA actually owns in LWC, so the question is where in that system did it come from and that would affect the assessment.

Don Fawson - We'll take it out at the cheapest point. I don't know, I mean the fact is we have it, but we're not able to use it for culinary. So, I think in the past people have been able to rent those shares. How does that work, Ron?

Ron Cundick - So you could have but we didn't.

Don Fawson - So, we have a little over 7-acre feet, I think, so maybe can we put that out and see if somebody wants to lease it for the year or something like that.

Ron Cundick - Wasn't that transferred to the Well?

Don Fawson - I don't know. I don't know where it is at.

Ron Cundick - Wasn't it 57-acre feet or something like that?

Don Fawson - It might be.

Ron Cundick - That is what we spent all that time on, transferring that, it was part of the agreement and we got one for one on that.

Kurt Allen - So you're saying Ron that the LWC irrigation water that LDWA owns, actually had a change application to transfer it to the well.

Ron Cundick - it was changed, and we got a one-to-one conversion on it for culinary.

Doris McNally - Right, for culinary.

Ron Cundick - We transferred the point of diversion to the Well.

Don Fawson - So, it was transferred into culinary and recognized by the State.

Doris McNally - Yeah, Don I think I shared that a few weeks ago with everybody so you can take a look at the documents.

Ron Cundick - LDWA still must pay its fair share to Leeds Water Company, but the water was always in LDWA's name, the title. The use is now changed from irrigation to culinary.

Don Fawson - I'd like to get with you after to go over that a little bit if I could. Some of the documentation we have, is a little confusing on that. So anyway, appreciate that.

Brant Jones - Yeah, that's good to know, and that's another example of this set up for the future because if those shares transfer over then where do they go? Well that it just on paper going into that well.

Ron Cundick - It went to litigation, because they objected to the transfer.

Brant Jones - You can see why though can't you?

Ron Cundick - But the law changed, and the law said if you meet these certain criteria and as long as you keep paying your fair share to the company you can go ahead and apply to have it changed.

Don Fawson - So, we should just be able to check with the State Engineer on that and he would be to verify that.

Brant Jones - But technically that doesn't keep the drainage in Leeds, so you switch it to underground and then that water goes on down into Quail Lake.

Ron Cundick -Yeah, that's an issue on it.

Brant Jones - So, I guess the companies just need to decide and there needs to be bylaws or whatever, in the LWC to protect those shareholders also for the future.

Don Fawson - Yeah, it seems we need to check on that because if in fact it didn't transfer in then putting it into the Well doesn't serve anybody's benefit because you know, if we're going to lease it out to somebody, then it would have to go through the culinary system. But if it's not really culinary, you can't do that. And besides that, like you said, the water goes back down to Quail Lake and we lose that. So, we need to play with this a little bit and get more information.

Brant Jones - And then if the Well fails, you can't just say, well let's go get it out of the Stream again because it's transferred.

Ron Cundick - Well, I think it was not just transferred there may have been a dual thing on that as an either - or I'm not sure.

Kurt Allen - With that water being transferred to either the Spring or the Well, that turns our shares of LWC water into paper water. It's not wet water, it's not real water, it's just paper water.

Brant Jones - That's the way I see it.

Kurt Allen - And we have the shares, but we owe our dues for that percent of shares that we do own, but we don't have any wet water to go with it.

Brant Jones - Yeah.

Kurt Allen - That's the way that is.

Brant Jones - Yeah, we need to follow up on that.

Kurt Allen - So, there's nothing to lease.

Doris McNally - Yeah.

Don Fawson - Well, that's just my point. If in fact we own it, it is still irrigation and we do have something to lease.

Kurt Allen - We don't.

Brant Jones - I don't know of any, I could be wrong, but I've never heard of an either - or take water wherever you want. So, I don't know are you aware of any either - or situations?

Ron Cundick - We have a couple of situations where we can have one of either Well.

Brant Jones - Yeah. Well.

Ron Cundick - But we didn't have Spring or Well.

Brant Jones - Yeah, I have never heard of that before.

Kurt Allen - But that is being corrected now so that we can have the Spring or either one of the Wells.

Ron Cundick - That would help.

Kurt Allen - So that is part of this funding process that we're getting that corrected.

Don Fawson - Let's say, if you are a shareholder of LWC and you don't want to use your water, can you lease it out to somebody?

Brant Jones - Yes. And you should or you should file for a "none use," right.

Ron Cundick - It has to be for the same purpose though.

Don Fawson - So, we do need to check with the State Engineer for clarification and then we ought to be offering that, you know, so again for beneficial use, for the Irrigation company and our own benefit too.

VIII. SHAREHOLDERS COMMENTS

SECTION SET-UP Shareholders Input [Don Fawson]

Don Fawson - Procedures for making comment:

- 1) Shareholders must step to the podium to make comments,
- 2) Clearly state your name and then ask your question,
- 3) Please limit your time to 3 minutes per person
- 4) No Action may be taken on a matter raised under this agenda item
- 5) Comments need to be confined to issues, not individuals.
- 6) If an item or question has already been discussed, we will cordially move on out of respect for everyone's time.

DISCUSSION Water Rights Change Application

Kurt Allen - Let's bring one other thing up just for clarification, there is a change application on the table with the State right now to transfer irrigation water from Washington City into Leeds. Has that been discussed with any of you.

Don Fawson - Layna do you want to comment on that?

Layna Larsen - I sent a copy to Susan Savage to get some advice from her.

Don Fawson - Susan would you mind sharing with us what you found out?

Susan Savage - Yes, so in the e-mail that I got, there was a question of where this was coming from, if it was the vineyards or whatever it is. When Mayor Hoster had a meeting where he invited developers in the area to come and talk about what they were going to do, Lex Howard, from Hidden Valley, said that he had enough water for 40 homes, that he had 100-acre feet. We just kind of wondered, Ron, Alan, and I wondered how that got past us because we protest everything. But I researched it, and he does have 100-acre feet. So, this application, a51010 I think is what it is, is an application to move it again. So, they are living at that big home as you go around from the cemetery and when you go around the turn, it's that very first huge, huge home that's back in there. And I don't know how much property they own back in there, but during this past year they had a big drilling rig there and that's where it shows for their first application. I don't have those other numbers with me. The first application was to drill it right there close to where that home is, but they must not have found water, I don't know, because this application goes back to the beginning. The small "A" in front of the number means it's an application. The capital

"A" means it is approved. So, it's a small A so they are applying again to move that water from Washington to a new site, which is just north of their home. So, like the hill curves around and the water tanks up there and the Catholic Cemetery is just over the hill right there and their home is over here. So, they're moving from where they were drilling, and they are moving up into that curve and asking to drill up there. And this is the way it looks with the small "A" and the numbers and the mapping that they're not applying to move it from here to there. They're applying to move it from Washington again, from its original source up into that new Well, which opens the opportunity to protest it. We missed the first one and now it opens the opportunity for us to do that. And the source of this in Washington Fields is just South across Telegraph from where the Turf Farm is. That's what it shows on the map. So, it is coming from that area. So that is a lot of water to be coming up into our area.

Kurt Allen - So, Susan, it is on the North side of the Virgin River? The original point in Washington where the Turf Farm is there, so they're not trying to bring it across the Virgin River.

Layna Larsen - So it's not in the Washington Fields.

Susan Savage - No it is not that far, I just enlarge it so I could see it, I looked at the road where the highway comes down from the Washington Parkway exit down to those big apartments, down to Telegraph, and they are below or on the East of Telegraph on Bella Vista Dr. and also between Telegraph and Desert Cactus. But they've got all this field up there where the turf farms are and then on the other side of that is where it looks to me like those are coming from and then the Virgin River would be way down, quite a way past that. That's how it looks to me as I enlarge that trying to get a better look at it.

Don Fawson - How many acre feet is that?

Susan Savage - 100-acre feet.

Ron Cundick - Is that culinary or was it converted.

Susan Savage - You know, I did not look at that. You were saying irrigation.

Kurt Allen - It's irrigation.

Doris McNally - It is irrigation because the email that came from Zach Renstrom actually mentioned the Leeds Water Company not the LDWA. So that is what triggered me. But the other thing is the interest that I saw was that if you look at all the documents, the Balance Of Nature Company is involved in a lot of this request.

Susan Savage - That is who Lex is.

Doris McNally - That's right. And they're part of a marketing group. So, it's not a winery.

Susan Savage - It's not connected with the winery if it's that, I can't remember what the LLC, was called.

Doris McNally - EVIG, is the bigger company the marketing company? That's the one I looked up.

Susan Savage - I Googled that LLC to see who they were connected to and they were connected to Balance of Nature and Balance of Nature is the Howards, it is Lex Howard.

Ron Cundick - He wants that ultimately for culinary, he doesn't even want it for irrigation.

Kurt Allen - I agree.

Ron Cundick - The last time, it has been a while since the mayor and I discussed this with Zach, but Zach was backing off on the approval of transferring water up here because it was really hurting our situation here. We didn't know whether we are the same aquifer, there was no proof of where the water was going from, which aquifer and so forth. And I thought as a matter of policy that we would be protesting every one of those that came up.

Kurt Allen - I agree.

Don Fawson – Yes.

Kurt Allen - We have agreed with Zach to do just that.

Ron Cundick - And Zach was going to support us because in the past they have not protested the type. I understood now he would be willing to protest that with us. And how that slipped through, I don't know, but apparently it hasn't been converted.

Doris McNally - It hasn't as of yet.

Ron Cundick - So that's a concern, also the fact of where they are trying to move it from. So, we need to protest all of that.

Kurt Allen - Yes, Zach is willing to protest it. He's the one that brought it to our attention.

Doris McNally - Then we brought it to Susan's attention. Susan, the company is Energy Resource, LLC and then EVIG is the marketing-based arm that is associated with Energy Resources. So, there's a few different names associated with everything.

Susan Savage - You know I didn't look at the date of when they filed the first change application for where they were drilling with the drilling rig. But I think maybe, and I don't know when it was, Doris got me on this, it's where I can receive in my emails, the notices of change applications, you can sign up for whatever area you want, and I just signed up for all of Washington County. I'm interested in what's going on throughout the County. And so that first application may have come before I was looking at that and I was kind of relying on Allen Howard to check the Spectrum on Thursdays to see what was coming up in this area. So somehow, we missed it.

Doris McNally - So, the report of conveyance was initially on 7/12 and then there was a change application that was filed on 11/29/2023 of this year. The thing that Susan's talking about, it doesn't always function when you ask for a big swath of just signing up for Washington County. You have to go in and sign up for each individual water right. So, we signed up for any of the water rights. I did this maybe when I joined, when I first started. Every single water right that we have and every single water right that a Developer ever came to us with, we get notifications immediately because we've identified a specific water right.

Ron Cundick - But were out of the Loop because they are not in Leeds.

Doris McNally - Correct. But the thing is it wouldn't be on our radar. It became on our radar because Zach informed us.

Kurt Allen - And secondly it was irrigation water, and that is why we're out of the loop as well.

Doris McNally - Right.

Susan Savage - But the meeting where Lex, I can't I don't know when that meeting was do you remember when it was, when they had the developers here.

Kurt Allen - I don't, maybe six months ago or something like that.

Susan Savage - That is when Lex said he had this water. But somehow Allen and I just said how did we miss that? That first application. But, as I said it looks from the documents like they're not moving from here to there, they're going back and moving from down there to this new location.

Don Fawson - So how does that affect their date?

Susan Savage - Their priority date I did not look at that, and the priority date is a big thing. It's a big thing, but you notice when you look at those documents, when you pull a document up and you can open the map and so on the heading, you get the general information that crosses the top and then you have two columns. You have the two columns here, the heretofore and thereafter, right. And so, as you go down, it's always instructive to go down to the hereafter to see what the, the Engineer and the applicant is saying as to what is going to happen if it's approved over here. And so, on this one it says that the original application will be withdrawn if this one's approved.

Brant Jones - You know it might be good to have in the minutes just that sometimes protest sounds like a naughty word, and I know water companies have been blamed for anti-development and things like that which I think it's not very fair. The reality is the State does not do their full due diligence unless there are protests. They kind of leave it out there and if people are just like, you know, nobody cares, then go ahead and do what you want and then we'll deal with it. So, by protesting, we're asking the State to step in and play their critical role in the process.

Susan Savage - Yeah, so, the application is scrutinized.

Doris McNally - So, I'm just curious Susan and I apologize if this sounds not informed, but I know that you are going to protest. Brant, does the irrigation company (LWC) do a separate protest from what Susan's ground level water. OK, so, Brent, just so I know who runs with that in the LWC, who actually will head that happening?

Brant Jones - Probably Tom he's already working on that. What's the date? What's our window on it?

Doris McNally - We can look it up.

Susan Salvage - LDWA can protest.

Doris McNally - We're going to.

Susan Savage - Allen Howard is going to protest.

Doris McNally - We want to be sure the LWC does to.

Kurt Allen - And the Conservancy will protest.

Susan Savage - They did protest one of the last applications to move water from the Washington Fields area up into here.

Kurt Allen - It is an unwritten agreement we've got with Zach that we're going to protest any water coming into the Leeds area.

Layna Larsen - The only one we didn't protest is with Silver Eagle Estates because the change was coming into LDWA.

Kurt Allen - Yeah, and this discussion with Zach was going on about that same time.

Susan Savage - That's the one where they did come and protest.

Layna Larsen - They did, but the Conservancy District had asked us to protest as well but I didn't feel I should because the water was coming to LDWA.

Kurt Allen - That was the one that closed the door, you know, that was the one that closed the door on this entire discussion.

Susan Savage - That is interesting to hear that they are changing, because we were wondering why the District was protesting, why they were concerned with our area. Because we are concerned with them.

Doris McNally - So it was filed November 29th, 2023. The priority changed to November 29th.

Don Fawson - Thanks Susan appreciate that, as always. I thought it went through at the end of January.

Kurt Allen - We should make sure we send the protest in as soon as possible.

Doris McNally - Brant if you will make sure Tom is aware and if you need any further information let us know.

Susan Savage - You can look at the water right website under that number a51010 and find the information.

Doris McNally - Protest end date is January 17.

Don Fawson - All right, Thank you. Is there anything else from anyone? OK? Does anyone else want to share anything.

DISCUSSION

Upcoming Election

Ron Cundick - I have a question. I am a little concerned about the upcoming election and what's going to happen. Who's up for election?

Don Fawson - Doris, Kurt and Alan.

Ron Cundick - OK. Doris, Kurt, and Alan. Do you two intend to run again?

Kurt Allen - Yes

Doris McNally - Yes

Ron Cundick - What about Alan?

Don Fawson - He said he's kind of thinking about it and was kind of leaning that way.

Ron Cundick - OK.

Kurt Allen - He was unsure. Noncommittal at this point.

Ron Cundick - OK. I just wondered, I'm happy to have you folks run again. If we need to make some changes, we need to be thinking about it.

Don Fawson - Yeah, so keep thinking about that. If you have any suggestions or whatever, let us know or let your neighbors know and see if we can round up some support. Alright, thank you. So, if there is nothing else, I'll ask for a motion to adjourn.

VII. ADJOURNMENT :: [08:05 PM Don Fawson]

VOTE

MOTION TO CLOSE MEETING: Brant Jones | SECOND: Kurt Allen

MOTION APPROVED: Unanimously



Layna Larsen, Corporate Secretary

Don Fawson, President