



MINUTES

DATE/TIME/LOCATION:	June 19, 2024	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), Brant Jones (M), Larry Bruley (M) Staff: Layna Larsen (Corp Secretary), Mark Osmer (Field Operations Mgr) Shareholders: Susan Savage, Jerry Hardison, Michelle Peot, Julie Bruley, Jared Westoff, Ron Cundick		

Agenda Topics

I. CALL TO ORDER [Don Fawson @ 7:00 PM]

CALL TO ORDER	I'd like to Welcome everybody here to our Board Meeting. It's June 19, 2024 LDWA Water Board. We will Begin by having the invocation by Brant Jones and then Larry Bruley will lead us in the Pledge.
ROLL CALL	PRESENT: Larry Bruley, Brant Jones, Don Fawson, Doris McNally Kurt Allen, our Vice President, has asked to be excused as he has vehicle problems and family obligations.

II. PRAYER [Brant Jones]

III. PLEDGE [Larry Bruley]

IV. CONSENT AGENDA & PRIOR MEETING'S MINUTES [Don Fawson]

DISCUSSION	<p>Don Fawson - Layna, can you tell us where the meeting notices were posted?</p> <p>Layna Larsen – They were posted on the bulletin board outside of the Post Office, on the inside Post Office bulletin board, on the LDWA office door, and on the LDWA website.</p> <p>Don Fawson - Very Good, Thank you. Ok you have a chance to look through the minutes for the past month, so if someone wants to make a motion to accept those.</p>
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: Larry Bruley SECOND: Doris McNally MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Larry Bruley SECOND: Doris McNally MOTION APPROVED: Unanimously

V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Kurt Allen]

DISCUSSION	DECLARATION OF ANY CONFLICT-OF-INTEREST
Don Fawson – Also, does anyone have a possible conflict of interest relative to tonight’s discussion?	
CONFLICT	Larry Bruley, Brant Jones, Don Fawson, Doris McNally – All No conflict

VI. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	ISO Insurance
<p>Don Fawson - At this time I would like to go over a couple of things. I would like to touch base on something that was discussed last month when I wasn't here. So to clarify, The ISO, (Insurance Services Office), is the rating service used by insurance companies to rate homes for fire insurance, and it's based upon things like emergency communications, fire department, including the operational communications, fire suppression equipment, personnel certifications and so forth. In addition, about 40% of the rating score is based on water supply which includes data showing that yearly maintenance has occurred on hydrants. They also want to see static and flow pressures on those hydrants. I appreciate Mark completing yearly maintenance and documenting flow and pressure data. Of course, this adds into the entire rating for our HVFSSD Fire Department. The ratings are scored from 1 to 10. When my wife and I first moved to Town the ISO rating here was 10, which means there was nothing, in terms of a fire department or sufficient water system. St George was the closest fire department. There had been one fire that I am aware of where the house burned completely to the ground. It was on North Main Street. Our current rating as part of the HVFSSD is 6. That's where the biggest savings comes in reducing your rating from 10 to 6. Our previous fire department actually had a rating of 4. The current HVFSSD chief says that it is actually their goal at this point is to try to get that down to a 4. So, we hope that they can achieve that. At the time that we had a rating of 10, some people in town were not able to purchase fire insurance at any cost. And the rest of us that did had to pay a very premium price, so it is a great asset to have and Keep a low ISO rating.</p> <p>Don Fawson - Mark, do you want to give us your report?</p>	

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
<p>Mark Osmer - OK. So, we passed our BacT test again this month. I've also been working with Landmark and checking on them.</p> <p><u>LEAKS ON MAIN ST</u> - We had a leak up on North Main and we also had a pipe repair on South Main. I got both of those fixed.</p> <p><u>PRESSURE TESTED NEW 10-INCH LINE</u> - We pressure tested the new 10-inch line from Silver Reef Road to Vista Avenue. So, we pumped it up, pressure tested it, chlorinated it, flushed it all out, put our water in, took a BacT in for testing and that passed as well. So that's all good.</p> <p>We had a PRV, that let go and pushed the water out of one of our tanks. I just got the parts in so that'll be my next job to get that fixed.</p> <p>Don Fawson – Isn’t that part of our plan to go ahead and replace all those PRV's?</p> <p>Mark Osmer - Yes. We are going to go through them all and replace everything.</p>	

Don Fawson - Very Good, OK, Anything else?

Mark Osmer - Half my work is with Landmark, keeping an eye on them.

Don Fawson - Yes, it has been a very busy time.

Doris McNally - If I may. Mark, a few things. So, I understand that one of the issues was that Landmark actually hit a pipe and there were some expenses associated with it. So, if we can just get an accounting of what that material is so we can have a discussion with them about reimbursing us.

Mark Osmer - I already talked to Layna today and she's got the paperwork.

Doris McNally - The other thing was, I know that they had to order some additional parts, or they ordered the wrong parts initially. So, we need to make sure that's swapped out on the invoices.

Mark Osmer - I met with Riley this morning and we went over a whole bunch of different stuff. He wants all the documents from Layna, and he is going to contact Scholzen's so we can get reimbursed.

Doris McNally - And then the last thing is as you're going through all the work, could you keep a list of where all the lines are so we can make sure that our GIS is clearly marked. The GIS was done initially by Carl Rasmussen many years ago and is not as accurate as it could be. So, if you see that the markings of the pipes are not accurate, if you're not comfortable putting them into the GIS, can you at least make a note in a book so that when we get the Jones & DeMille person down here, he can then upgrade the GIS data in our system.

Mark Osmer - The Water Conservancy District is GPSing, all the valves, all our pipe, everything. So, they're going to give us a file at the end of the job which will be super accurate for the GIS system.

Don Fawson - Yes, they should give us an "As-built" file when finished.

Mark Osmer - Yes, so, they're going to give us their pipe layout as well as ours.

Doris McNally - That will be very valuable to have. And you are sure it's GIS format because I know some of them are different.

Mark Osmer - Yes.

Doris McNally - Great. Thank you, that is appreciated.

Mark Osmer - Also, now Landmark is going to be working from 7:00AM till 8:00PM trying to catch up.

Don Fawson - So what does that do for you?

Mark Osmer - I work till 8 as well.

Don Fawson - Well, that's not good.

Mark Osmer - Yes, it is what it is. It's not going to be forever.

Don Fawson - Anyway, thank you Mark.

Mark Osmer - OK, thank you.

Don Fawson – Doris, Would you present the Financials.

c) TREASURER'S REPORT [Doris McNally]


DISCUSSION

ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]

BILLING for MAY was completed/mailed on June 1st.

NEWSDRIPST The May invoices, included an educational article on home/house backflow. I'm going to probably shift up this next month's "back article" and it's going to be for the Consumer Confidence Report. I've completed that today.

On a yearly basis, we have to put together the DDW required Consumer Confidence Report. I heard from BrandI Smith, DDW, and I talked to Mark and was able to download all the updated data using the format that we've used over the years. I've since updated it. So, with the board's knowledge, I'm going to be sending this submittal in tomorrow. So, they made a mistake by not communicating it quick enough to people, but I was able to pull it together today. So, one of our obligations is to communicate to the shareholders that The Consumer Confidence Report has been filed. Based on that, we published it on the back of the bill, so I'm not even going to ask for a vote on that. I'm just going to post it because it is mandatory.



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

HOSE BIB BACKFLOW PREVENTERS

Cross Connection Contamination is when a contaminant is accidentally introduced into our culinary/municipal water system. One of the easiest, cheapest, fastest things that we can do to help prevent this is to install a hose bib vacuum breaker on all exterior hose bibs. They are readily available at any hardware store for a cost of between six and ten dollars.



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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
- Sourcely 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 5 years of sampling.

To view the LDWA's 2023 CCR use QR code or go to: <https://bit.ly/45wqM9J>

To learn how to interpret the report visit: <https://tryurl.com/npmi799b>

DISCUSSION

FINANCE [Doris McNally]


PAYCLIX

In MAY we had 98 shareholders that paid their bills using this payment option. The total amount collected through PayClix was \$6542.87. 63% paid via credit cards & 37% via echecks.

	Credit Cards		Electronic Checks		PayClix®	
	Count	Credit Cards	Count	eCHECK	Count	TOTAL
Jan-24	49	\$3,319.70	41	\$2,146.87	90	\$5,466.57
Feb-24	51	\$3,478.14	41	\$2,392.82	92	\$5,870.96
Mar-24	52	\$2,973.87	41	\$1,955.02	93	\$4,928.89
Apr-24	49	\$3,011.73	46	\$2,353.34	95	\$5,365.07
May-24	55	\$4,147.64	43	\$2,395.23	98	\$6,542.87
TOTAL	256	\$16,931.08	212	\$11,243.28	468	\$28,174.36

YTD we have collected \$28,174.36 through PayClix.

FINANCE [For the Month of April 2024]

	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. OI:	\$26,888.27	99.5%	Ord. Field OE:	\$11,954.08	48.6%
	Other OI:	\$122.50	0.5%	Ord. Admin OE:	\$1,275.15	5.2%
		\$27,010.77	100.0%	Professional OE:	\$2,635.00	10.7%
				Labor Expenses:	\$8,725.04	35.5%
					\$24,589.27	100.0%

FINANCE [For Year-to-Date 2024]



TOTAL INCOME		
ACCT	BALANCE	% to TOTAL
Ord. OI:	\$116,081.82	87.9%
Other OI:	\$15,966.20	12.1%
	\$132,048.02	100.0%

TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL
Ord. Field OE:	\$56,242.92	48.8%
Ord. Admin OE:	\$7,868.40	6.8%
Professional OE:	\$6,828.50	5.9%
Labor Expenses:	\$44,328.11	38.5%
	\$115,267.93	100.0%

The LDWA's Banking Accounts [as of 05/13/2024]



CHECKING ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Checking	\$36,761.64	4.9%
2 - Business Checking	\$716,932.56	95.1%
	\$753,694.20	100.0%

SAVINGS ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Emergency Reserve	\$351,329.99	67.5%
2 - Loan SRF-3F1892	\$79,128.54	15.2%
3 - Impact Fee Fund	\$90,056.04	17.3%
	\$520,514.57	100.0%

VOTE

MOTION TO APPROVE FINANCE REPORT: Doris McNally | SECOND: Brant Jones
MOTION APPROVED: Unanimously

DISCUSSION

LOAN CLOSING [Doris McNally]

Doris McNally - On Wednesday, May 29, 2024 we finalized the closing on the LDWA - DDW Project Loan with Principal Forgiveness. I want to personally acknowledge the work of Layna Larsen, Riley Vane, our Attorney, Peter Gessel, and of course our Board for their individual and team work in pulling all the required materials together over a Holiday Weekend to ensure the closing went smoothly. These efforts were not for the weak of mind of faint of detail, representing two years of effort.

As Kurt Allen stated when the process was over "Congratulations to the LDWA and it's shareholders for being awarded one of the Division of Drinking Water's largest (7.8 million), and cheapest (0% interest) loan/grants (approximately 47% principal forgiveness) to a small water company in the DDW history. That's Amazing!"

DISCUSSION

OFFICE SHARING [Doris McNally]

With the number of power outages we have experienced over the past year with the construction work going on around us, one of our office Surge Protectors/Battery Banks failed. We were able to contact the manufacturer and they replaced the power banks in the unit under warranty for us. These devises protect our computers, cameras, servers, printers and "Itron" Meter Reading devises. They do their job but and are important to maintaining our electronics & technology.

DISCUSSION

UOSH POLICIES, DOCUMENTATION [Doris McNally]

Working with fellow Board Member, Larry Bruley, we implemented the training and put together the required documents needed to support the two new OSHA Policies we Approved last month. The 2024-07 HAZARD COMMUNICATION SAFETY PLAN and the 2024-08 PERMIT-REQUIRED CONFINDED SPACE PROGRAM. These policies and their associated forms & documents can be found on the LDWAcorp.org website under Policies & UOSH. Larry conducted the training with LDWA personnel and also some supportive shareholders from our community who have leaned in to say that if Mark needs a little additional help, they are there to help. This was a full day of formal training, not just casual, but formal training with onsite examples of how to use the equipment and how everything is done. So, Larry, thank you for doing that. I know what it took for you to put that all together. So, thank you very much. And as we said before, it's a living breathing document and as we find things out, we can always change it. Not having this in place was a disappointment that we didn't have it taken care of many years ago. So, I'm proud of this Board for recognizing it and fixing it.

Doris McNally - Jared, I know you're here to talk about the Will Serve Letter. I wanted to offer you some information that I gathered relevant to your information after your comments about that. Would that be OK?

Jared Westoff - That would be fine.

Doris McNally - So, hang on, I just saw something.

DISCUSSION

INSURANCE POLICIES [Doris McNally]

Doris McNally - There was so much that happened within this month. So, as we were going through the loans Layna and I identified all the insurance companies and insurance policies the LDWA had gathered over the years, and the two of us kind of looked at each other and said this is ridiculous. Why do we have so many policies and why are we spending all this money? We need to really lean into this. So, we called Preston Child, who does our main insurance program and has been our insurance carrier for Olympus Insurance for many, many years and we reviewed every single policy. We had four policies and understood we needed to get a fifth, which was a Crime Policy for the loan. We just said, this is ridiculous, why are we carrying five policies at a big expense. So, working with him, we found equivalent policies and better policies for lower money that do exactly if not more than our current policies. So, we now only have three insurance policies that cover not only our mandatory crime protection policy for the loan but also a second loan carrier for the general liability directors and officers professional liability and our own personal crime recognized as two different crimes. There's our crime and then there's the material crime that we have for the one that we have to protect. And then on top of that, there's also the UDOT, SULA bonds that we need to also have. So, we now have gone to 3 carriers. The three carriers are all handled by Olympus Insurance. The first one is Liberty Mutual, which is a crime protection policy, which is \$464. The bigger policy which is the one that we really need for the entire company, which is the general liability, directors and officers, professional liability and crime. That is now with a company called Munich RE and it's \$3200 per year and then the SULA is with travelers at \$1760.00. So, once again, just cleaning up some past things and at a reduction and also with better coverage and better limits and deductibles and premiums. So, I'll make this available to the Board Members, but I wanted to share some of the office things that are going on behind the scenes.

Doris McNally – So, Jared, what I wanted to do is offer a few things.

Don Fawson - Before we get into that, because we're going to come back to that, can you hold that till then.

Doris McNally - OK, because this is going to be specifically on. I know you were talking about something else, but this is what.

Don Fawson – No, we will be talking about this.

Doris McNally - OK. Then I am done with just a few things. That's what happens.

Don Fawson - That's it? Thank you so much, Doris. Really appreciate all you have done. There's a lot that goes on and she's on top of most of us here, the rest of us kind of fill in a little bit here and there, but it's amazing what she and Layna are able to accomplish.

d) BOARD MEMBER REPORTS

DISCUSSION

LWC [Brant Jones]

Don Fawson - OK, Brant just wanted to have you give us a report, if you can, on anything that is going on with LWC relative to the LDWA/LWC agreement or anything else.

Brant Jones - Yes, we met this week. It looks like they're ready to move forward and go ahead and sign the agreement and finalize it.

Don Fawson - Okay, we would like to see it before we sign it.

Brant Jones - He said he sent it to you a copy quite awhile ago. You don't have it.

Don Fawson - He did?

Brant Jones - He says you've had it for quite a while.

Don Fawson - Well maybe I'm the downfall, but I don't remember seeing it in finalized form. Anyway, if you'd have him send me another copy.

Brant Jones - The latest and greatest yeah.

Don Fawson - You know, that would be great. Apparently he, Tom Beach, was actually in Town this last weekend or so and we missed getting together, he contacted me and I was out of Town so it didn't work out. Anyway, I will take the responsibility for dropping the ball on that.

Layna Larsen - Brant is he sending it to the office as well, or just to Don.

Brant Jones - He sent it to Don is what he said. I don't think he sent it to the office. I got a copy of it too. It's been reviewed and Nathan reviewed it again, He found a couple of little things, but it was pretty minimal.

Don Fawson - Alright we will go with that, anything else?

Brant Jones - Still working on that other account and I need to follow up and check and see if there's any difference in the billing this Month if it's gone down.

Don Fawson - How are we doing water wise?

Brant Jones - For volume of water?

Don Fawson - Yes, for the volume of water.

Brant Jones - For the irrigation, our eight second feet of water, there is about one within the last week. But there is still high water. There is still water returning into the creek so. Its less than it was last year though.

Don Fawson - You're getting enough water then?

Susan Savage - Irrigation, yeas.

Don Fawson - All right, thanks Brant. Larry, we move to you?

DISCUSSION

TRAILER FOR SAFETY EQUIPMENT [Larry Bruley]

Larry Bruley - OK, well, you know my story, it's always the same. But I want to go back to what Doris was saying and I want to make sure she gets Kudos for what she did because she ended up putting together the things that I hate to do, or just can't do, or I am not very good at. So, thank you again for helping me put together the

program for the UOSH and for the HAZCOM. So, that's one of the things Doris didn't mention is we got through the HAZCOM too. So, we are actually done with all the things that we have spoken about in the last meeting. The UOSH program has been put together. So, we got through everything on that, all the training, all the documentation, everything's put together. Thank you, Mark, for your contributions to that program as well. It definitely was a group effort. As Doris stated, those documents are available to view or review at any point and time in the Office. So, what it led to though was in the process of doing our field work on our field training. What we realized was there was a little bit of a problem with this system we were trying to use where we were storing all of the confined space equipment, safety equipment in the tank and then expecting Mark to, in case he needed it, load it into his trailer, which is already packed full. In the process of running through the field, we realized that this was a problem. So, once Mark realized that, he came across a trailer for \$1000 and bought it. He was going to buy it for himself and put our stuff in it. After we talked about it, I thought, no, you know, if that's the sole purpose of the trailer and it solves the other problems that we have with it, like mobilizing the equipment, it didn't make sense. So, I suggested to him that I would urge the Board strongly to purchase this trailer. Now what's happened since then is Mark and I have outfitted the trailer and it's, perfect. It's very, very small. It will fit into any space we need to get it into. We've already got everything laid out inside and we figured out how to put the tripod, the barricades, everything in it, and we're just about done with that. It's got the rescue plan tube in it. Mark welded a real cool thing for the winches so that they are not flopping around in the trailer. You put them in, you clip them in, everything's really secure. It's really nice. Marks already purchased matching keyed locks for it. I think we're waiting for a hitch lock. Is that correct, Mark?

Mark Osmer - Yeah, correct.

Larry Bruley - OK. And we'll be good to go. But my suggestion is this because of the nature of when that trailer gets used is it's very specific to that particular job, there's nothing that Mark really needs outside of that. When we go to a confined space, everything we need for confined space is in this trailer and it's all owned by the LDWA. So, that's why I suggest that we purchased the trailer, it just seems to complete the package. This is our stuff. It is our expectation if something happens if Mark is out town or whatever, we have access to it, we know how to get to it, we know how to use it. So, I propose that we purchased this. Mark has already purchased it as stated, he was willing to take the beating himself. Doesn't seem right to me. So that's what I'm proposing today.

NOTE: Upon further investigation, Mark did not actually purchase the trailer. Keith Sullivan is the actual owner and is willing to sell it for the stated price of \$1,000)

Don Fawson - So, \$1000 went for the trailer, but you've got other equipment and stuff that you purchased to mount everything.

Larry Bruley - No, no, Mark and I scrounged around the yard, found an old piece of pipe and cut it in half, and used that for the tripod mount. Then Mark, had some old steel laying around and welded that up for the winch holders and then welded some brackets for the barricade holders. The only thing that's missing in this trailer right at this moment and Mark, correct me if I'm wrong, but you've already purchased all of the parts that we need to rebuild the PRV's that we're aware of and also all the bypass parts.

Mark Osmer - Yes.

Larry Bruley - So all we need is a little shelf, toolbox or something. I mean, this thing is functional right now. We can hook it up and go to any confined space and have everything we need.

Don Fawson - Was that strictly \$1000 then? Is that what the cost is, straight up \$1,000.

Larry Bruley - Umm, to answer your question, Don, the only thing I can think of that would be missing is a first aid kit. That could be \$25 to \$50 bucks. I think that we can order that through Scholzen's since we can just put it on our account so, it keeps the straggler receipts to a minimum. I think while we're doing that, we should also get one for the tank. I couldn't find a first aid kit in the tank. So, I think we need to get 2 first aid kits, one for the little trailer, and one for the tank. Mark can be responsible for his own trailer if he wants to put one in there. The only other thing while we're talking about this is we've got some fire extinguishers that are in need to be certified and if we can't get them certified they need to be replaced. But more than likely I looked at them, I think they can all be certified at a cost of about \$30 bucks each unless someone knows someplace better. So, right now if I was to say, probably about \$1200, for certified fire extinguishers, a couple of first aid kits, and paying for the trailer.

Don Fawson - And the lock?

Larry Bruley - Correct. Mark, what were the cost of the two locks that you bought, I don't, do you know Doris because you picked them up.

Doris McNally - I think they were like \$35 a piece.

Mark Osmer - We got three locks on there.

Larry Bruley - OK, plus, let's be thorough. The hitch lock was a pretty good expense because we wanted to get a decent one, not something somebody could just come up with a battery powered grinder and I mean we've got tens of thousands of dollars of equipment in the back of the trailer. Mark correctly if I'm wrong \$200 on that.

Mark Osmer - I think it was \$270.

Larry Bruley - \$270 so we are right around \$1500. That would get us through this whole thing. We are done at that point.

Don Fawson - So do you want to make a motion?

Larry Bruley - I would like to make a motion that the Board accepts this trailer.

Brant Jones - Budget wise is it possible?

Doris McNally - Yes.

Brant Jones - Second.

Don Fawson - Any further discussion?

Doris McNally - So the question I have is I know that in the East Coast is usually a requirement for insurance and also license plates and stuff like that. We just need to make sure if insurance is required on the trailer here. I don't know what it is in Utah.

Larry Bruley - So, the vehicle that is towing the trailer would actually cover the insurance. In Utah any trailer under 12 feet doesn't even have to be registered.

Doris McNally - Does it have to have a license or license plate?

Larry Bruley – No.

Doris McNally - Oh really. OK, great.

Larry Bruley - Yeah. It's not even going to be leaving Town anyway and it will only be driven a couple blocks here or there.

Doris McNally - This is good.

Don Fawson - So it has been Moved and Seconded all in favor? Thank you, Mark, appreciate you guys working on that. It was a lot of work.

VOTE

MOTION TO PURCHASE THIS TRAILER: Larry Bruley | SECOND: Brant Jones
MOTION APPROVED: Unanimously

DISCUSSION

MSDS SHEETS - MEDICAL SAFETY DATA SHEET [Don Fawson]

Don Fawson - So, in reading through the minutes I know there was some discussion on the MSDS sheets. At the school we always had to have this big binder of every chemical in the school whether it was benign or not with and MSDS sheet for each one. The MSDS sheet contains the description of what the ingredients are in each chemical and the Medical Treatment for anything that a person might be exposed to in anyway. So, that's what those sheets are.

Larry Bruley - Don, so, that was part of our Hazard Communication Program. It is in the same folder with the confined space entry in the office. All of those MSDS sheets are accounted for and are in there, Mark is aware of that. We did training on that as well. By the way, so our employees are trained through the HAZCOM. And Mark and Krista know that if they run across a new product, we need the MSDS on it. So far Mark knows if he purchases something we're not already using he is going to pick up the MSDS when he buys it. Each vendor is required to give it to the purchaser. By the way Doris, thanks again, Doris was the one who actually collected all that MSDS sheets and I know that was arduous because I tried to do it myself and I got frustrated pretty quickly. It seems easier when you go to buy something from the store and ask for MSDS, but when you go online and try to find all this stuff, sometimes it can be troublesome. So, thank you Doris.

Doris McNally - If there is any way, I mean Scholzen's is probably the company we go to the most, if there's any way that they have a MSDS compliance officer there, they might have all that stuff online for me and it would be easier. So, if you are ever there, Mark, just ask them for the business card for that person and I can get it directly from them because it is mandatory, they have to have them available.

Larry Bruley - I have been retired for a minute, but as far as I know, if you buy a product from a place like Scholzen's you can ask for the MSDS and they are supposed to have them right there.

Doris McNally - Yes, OK.

Don Fawson - So that stands for Medical Safety Data Sheet. So that's what those are. OK, Kurt's not here. He didn't have anything to report.

DISCUSSION

MOU [Doris McNally]

Doris McNally - So, what happened is when we went into our agreement with Washington County for the line that's being done up and down Main Street, we went into an original agreement or a letter of understanding. In that letter of understanding was the original discussion of what the work would encompass. There's been some

refinements after looking at the maps and doing everything like that. There are minor changes that have occurred which required an amendment to the letter of understanding or the MOU from the past. So, Kurt, working with the WCWCD drafted something we were supposed to actually review last month but we forgot to put it on the agenda. He shared it with the entire Board. You know me, I looked at the preliminary draft, I looked at the final draft that was accepted before we went into agreement with them. And I've looked at his MOU and I see what the changes are. I'm going to make a motion that we accept it, it matches everything. The only recommendation I would ask him if we can, if you can please on the attachment they have all the bids for everything in the MOU and in reality, we're only dealing with expenses for Landmark and Ferguson. So, I would prefer that this document only have those two listings because it creates confusion as to what we're paying for and what we don't. So, I think that's a simple modification. And if we can get an approval, I can get it to Kurt, and he can work with WCWCD to move forward on that.

Don Fawson - Do you want to make a motion?

Doris McNally - I make a motion that we accept the MOU modifications that were offered back on 5/15/24 by Kurt with the stipulation I made about changing the attachment addendums.

Don Fawson - Could I just see if we can accept the MOU and then with the Idea of moving forward to further discussion on that schedule piece because I know Jacob has some concerns about that and he's the one that's actually managing those funds. I think the key to this is making sure that we have this agreement for the amount that's being spent on materials and the amount is being spent on insulation, as long as it doesn't exceed that. That's the real key here.

Doris McNally - And I guess being just very clear from a from a contractual perspective, nowhere in any of the documents do they stipulate what we are responsible for, from what vendors. It just has a list of all quotations that came in from anybody. So, if I were somebody looking at this document, I go, what is the LDWA accountable to. It's a really simple little footnote on the attached pages, whatever, but I just think it's needed because when I first got this, I said are we responsible for all of this and there are even quotations or responses to quotations that they didn't even accept. So, it's just a lot of information that could be a little confusing so just the stipulation, that's all I'm asking for is because it just makes it clearer,. If I am managing and overseeing financing, you know, I am going to be a stickler. I just think we need to be a stickler on something like that. It's a contract. So, I would like to at least have that clearly stated somewhere. There just has to be a little star on these pages, but it just has to be somewhere.

Don Fawson - And I think that obviously we need to have that nailed down. So maybe we could accept that MOU based on you, Riley and I sitting down and going through that and making sure that there is a finite amount listed.

Doris McNally - And once again. The agreement is between us and Washington County Water Conservancy District. Riley is with us. So, we just need to make sure, once again, I'm being the stickler and I'm sorry, it's making sure that the understanding is between us and WCWCD, not between us and Jones and DeMille. Jones and DeMille, we're paying them, so they are going to say yes to anything.

VOTE

MOTION TO ACCEPT THE MOU WITH JUST THE NOTATION OF WHAT WE ARE ACTUALLY RESPONSIBLE FOR: Doris McNally | SECOND: Larry Bruley **MOTION APPROVED:** Unanimously

Don Fawson - Did you have anything else Doris for Kurt?

Doris McNally – Yes just a follow-up to some info Jared positioned last month.

DISCUSSION**PRICING COMPARISONS [Doris McNally]**

At last month's meeting Jared brought to the Board's attention a concern he had about the LDWA's pricing as it relates to new developments. He presented to the Board a sheet that positioned what he said was a comparison of the LDWA's current water fees versus towns like Toquerville & Hurricane. The assessment compared 2 scenarios, one where Water Fees were calculated without charges associated with "The Regional Water Agreement" and the other where charges excluded the assessments imposed by those towns who have signed onto the Agreement and obtain their water from the WCWCD. Jared felt that the LDWA's pricing appeared to be very unfavorable.

During the process of securing the Loan for the LDWA with the DDW, the Board, working with Jones & DeMille, and previously with ProValue Engineering reviewed our pricing, not only our usage fees pricing structure, but also fees like: Impact, Connection, Water Share purchase, etc. Not having that analysis at the meeting, we made a commitment to re-evaluate that info against the information offered.

In Contacting both the Toquerville & Hurricane water companies we identified some things that may have impacted Jared's assertions.

1. The pricing offered for Hurricane's Impact Fee was based on a 5/8" meter so a comparison against a 3/4" meter would reflect much lower pricing.
2. In the case of SPE, water was transferred back 14 years ago under a Water Agreement, so a Water Share Purchase would not be required for the parcels identified under that agreement.
3. Both Hurricane & Toquerville have signed into the REVISED 2019 Regional Water Agreement. The Town of Leeds has not signed the REVISED Agreement. That fee would be directly related to the Town's actions, not the LDWA. John Bramall, then Mayor of Hurricane signed and Lynn Chamberlain, then Mayor of Toquerville signed. The three towns that had not signed it as of the close of 2023 were The Town of Virgin, UT, The Town of Leeds, UT, The Town of Apple Valley, UT. It appears that Apple Valley and Virgin in signed into the agreement in April as a part of becoming a municipal customer. To date the Town of Leeds has not. The impact of them doing so is best served talking with them.

LEEDS		TOQUERVILLE		HURRICANE	
3/4" Meter Impact Fee	\$6,950	3/4" Meter Impact Fee	\$3,390	3/4" Meter Impact Fee	\$3,106
Connection Fee	\$3,030	Connection Fee	\$550	Connection Fee	\$731
Water Share	\$9,417	Water Share	\$0	Water Share	\$0
WCWCD Impact Fee (1)	\$0	WCWCD Impact Fee (1)	\$13,500	WCWCD Impact Fee (1)	\$13,500
WCWCD Impact Fee (2)	\$0	WCWCD Impact Fee (2)	\$17,500	WCWCD Impact Fee (2)	\$17,500
Total w/Share (Low)	\$19,397	Water Charge LowRange	\$17,440	Water Charge LowRange	\$17,337
Total w/Share (High)	\$19,397	Water Charge High Range	\$21,440	Water Charge High Range	\$21,337
Total wo/Share (Low)	\$9,980	Water Charge LowRange	\$17,440	Water Charge LowRange	\$17,337
Total wo/Share (High)	\$9,980	Water Charge High Range	\$21,440	Water Charge High Range	\$21,337

So looking at the current pricing structures in the Towns . . .

With Water Share

For a Development on a Parcel that requires the purchase of a water share the Price for 3/4" Meter Impact Fee, Connections Fee & water share would be **\$19,397** for Leeds. For Toquerville & Hurricane they are not required to purchase a water share but are required to pay a WCWCD Impact Fee. (anywhere from \$13,500 to \$17,500 depending on building plans. So Toquerville would be **\$17,400 to \$21,440**, and Hurricane would be **\$17,337 to \$21,337**.

So our net pricing is similar. The approx. **\$1,900** difference has to do with the differences in organizations structure, staffing, and resources.

With No Water Share

Jared for someone like yourself representing SPE your LDWA net price would be **\$9,980**

Toquerville's fees would be **\$17,400 - \$21,440**, and Hurricane would be **\$17,337 - \$21,337**.

So here you would see a significant price difference between the three entities with the LDWA being some **\$7,420 lower**.

DISCUSSION

SPE WILL SERVE LETTER [Jared Westoff]

Don Fawson - All right. Then at this point lets go back to Jared for the Will Serve Letter Renewal Request.

Jared Westoff - Just like to say thanks for being able to be here and appreciate everybody considering our extension of the Will Serve Letter. I don't know much more to report on than what we talked about in the last meeting. The way I understood it is just one other month to be able to consider the information and the update that was given and then this was going to be an action item on this month's agenda. So, was there more needed or questions that I could helped with.

Doris McNally - No, I think the clarity is that your Will Serve Letter is up on the 21st of this month, so we need to get this approved at this Board Meeting and it is an extension of the current Will Serve Letter. Based on the discussion from last month, Jared explained that there's going to be some modifications to the plans. So just for clarity and understanding that the Will Serve Letter Extension is for what was previously approved and accepted. So, if there are any changes to those plans, the Board will need to review and accept those changes prior to construction. So, as soon as you get your new or modified plans together or even the drafting of the plans please share them with us. Let's start talking about it. But I think the motion to the Board today is to extend the existing Will ServeLetter based on the existing plans that were submitted and approved a year ago.

Jared Westoff - That is correct. We want to just keep that first phase application. I believe it is 22 lots, just extend the Will Serve Letter for a year and then our hope is to be able to keep improving the plan, working with the Town. Then, once we have an idea that we're in a good spot with the Town, we'll come back to LDWA with the new set of drawings and plans and we'll basically disregard the Will Serve Letter or superseded it with another option.

Doris McNally - Just understand the impact of those changes can change things because the original Will Serve was based on the water that was brought in a while back and everything else and that's why I say better communication and more frequent communication is better. Letters can update us, maybe Town can update us on what the understandings are that can be shared and would be appropriate.

Jared Westoff - Yes, I know it now seems like, you know if you have ever looked at a pond and ducks are out there on the pond, it looks like they're not doing anything. They are just gliding around, but underneath the water their feet are kicking like crazy. I was working on the community plan for the update today for six hours, I was on the phone yesterday for two hours. I went to Salt Lake last week for a meeting on it that lasted 2 hours. I mean, we're working on it at least every other day to refine the plans. It takes a lot of work to make these adjustments and consider all the factors and rework the plan. We are really proud of how the plan is looking. We think it's going to be a very aesthetically pleasing, we think it's a good safe plan. And it's nice because it leaves approximately 72 acres of open space and the whole hillside and the whole mining roads for trails. And so, I think it's a much-improved plan. So, we're going to be excited to be able to unveil it and show it and we're just working on making sure we have all the I's dotted and T's crossed, before we get it out there for public review. We expect when it comes out for public review, we'll get some good comments that may improve the plan even more.

Doris McNally – So, I had shared last month that I had heard when I was at Town Council Meeting that you were going to have an engineer come in at the end of April, I think it was April 26th or 27th, if I remember right and

you were going to have somebody look at the properties and kind of evaluate them and do readings and kind of give feedback. Have you done that, is there anything you can share with us?

Jared Westoff - Yes, we came in and we tested the whole property using the same standards or systems that we did under the environmental cleanup. So, the environmental cleanup has an area that we cleaned up and then an area that was not part of this area that would have the CC or the Certificate of Completion. And the reason that we picked the area we did for the cleanup is because we had done testing before and knew that the bulk of the cleanup, if not almost all of the cleanup was in the area that we picked and there would be a few possible remnant pieces later that we needed to address. So yes, we paid extra money to do infill lab work and that infill lab work came back and is basically what we thought. Basically, there was one spot that had a high level of naturally occurring radiation. We made sure that any of the subdivision area where it's a buildable area is away from that. And there was one other minor spot for some clean up. We just got the independent lab results back this week. And so, the environmental consultant Rich White is now comparing those lab results against his infill testing and then preparing all the mapping. So, yes, we will be sharing all of that with both LDWA and the Town.

Doris McNally - Excellent

Jared Westoff - And we'll share the independent lab results. It is no secret we want a good safe project.

Doris McNally - I just didn't know if you had gotten the lab results back yet. Thank you.

Jared Westoff - We just got the lab results back. But yes, so to clarify, what's on the agenda today is we're looking for a simple extension of what was already approved. We just want to hold those entitlements in place. And secondary to that, we are hopeful that we will be able to be successful in working with the Town to improve the plan and hope to be working on that with both the Town and LDWA. We're hoping to be able to get through all the issues by October.

Don Fawson - OK, based on that I have a motion to extend the Will Serve.

VOTE	MOTION TO EXTEND THE WILL SERVE: Larry Bruley SECOND: Doris McNally MOTION APPROVED: Unanimously
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DISCUSSION	SEWER [Jared Westoff]
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Don Fawson - Alright Jared on to the next one.

Jared Westoff - I appreciate this as well. We Got a call from UDOT, I think it was two weeks ago, maybe a little longer, but they basically said that the 14-inch pipe that was going to be left in the ground through what I'd call the historical Main Street section of Town from Vista Avenue down to the south offramp. It had become available again to be used as a casing for a force main for sewer. So, I think there was a time there that it might have been being considered for a storm drain for the Town? UDOT told us they weren't going to allow that anymore and that it was back available if we wanted to use it.

Doris McNally - Do you know why they were not going to allow it?

Jared Westoff - I didn't get into those details, I just said alright, if it's available, we'll look into it. So, we've been studying it. We actually studied it pretty hard hoping to use it as a gravity line. When we looked through all the engineering and construction drawings, we realized there's with a water line under pressure, the engineers are not nearly as concerned about keeping it level. And even with the significant grade that we have going down Main Street there's a worry that there would be too many swells or dips in the pipe for it to work for gravity sewer. That was a little bit sad to us because a gravity line would be preferable. But being able to use it for a

force main sewer line is also good. The location is good and we can understand why UDOT would like us to use it and that they don't want us tearing up their road to do more construction just as soon as Landmark is done with the LDWA and WCWCD pipelines. The nice thing about using it as a forced main is that we would only have to dig a hole every 1000 feet so we could pull pipe through and install a manhole so it would create a whole lot less disturbance. It would be cheaper for us to do and be a good use of the resource that's already in the ground. We, for example, we install a 3-inch pipe in the middle and we have a 12-inch diameter on the inside we will be putting collars every so many feet so that as the pumps kick on to force the sanitary sewer through the 3 inch pipe that that pipe will not be able to bounce around and it'll be really stable. So, the State rules are that sewer lines needs to be separated by 10 feet from water lines. And that's particularly true if its a gravity system. The State will allow it within 10 feet under certain conditions and this is a situation that our engineering teams, talking to Ash Creek Sewer District, believes is just such a condition that the State would likely approve an exemption because the force main would be inside of the 14" HDPE casing. And that casing, if there was ever a problem with that force main, would protect any drinking water line inside of 10 feet because it would channel whatever would be leaking towards the bottom end. The way those forced mains work they can figure out if there's any leaks actually pretty quick. The Conservancy District has us on a short timeline, they want to know if we're willing to accept the line and the responsibility for it. And if not, they are going to have somebody come and slurry fill it, I believe starting next week. And so, I'm sorry for the short timeline. It's not preferred for any of us to have such a short time to evaluate all this.

Doris McNally - So I guess I'm lost a little bit. So, this is a Conservancy line and you are talking to them. Why are we involved as the Water Company?

Jared Westoff - Oh, thank you Doris, I did not explain that well. The Conservancy District is abandoning a section of the 14-inch HDPE line on Main Street. Everywhere else in the project in their line replacement project the 24-inch line has gone in the same trench that the 14-inch line has been in. In this particular section they are going to be on the opposite side of the street. So, the 14-inch line is going to stay in the ground. UDOT will not allow utilities to be abandoned and unused in the right way. So, either the Conservancy District has to tear up Main Street and pull the line out and then reconstruct Main Street or they have to slurry fill it. This involves basically pumping a really wet concrete mix through the line and fill it up. So, the abandoned line is no longer a void in the right of way. And what UDOT is hoping is that we would use this line for sewer rather than us also coming in and digging up Main Street. The reason LDWA is involved is LDWA has a water line within 10-feet of this pipe. So, in order to be able to have a force main for sewer in this line LDWA and/or Ash Creek has to get a waiver from the State. So, LDWA would have to approve the Waiver. Was that clearer that time?

Doris McNally - So, we just have to give approval? We don't have to take control of or have legal ownership or legal responsibility for the pipe.

Jared Westoff - No. So, the other paper here is the application the State requires. This is a draft application that the engineering team working on this has filled out. You will need to add your engineer, Riley's, (Jones & DeMille) information. I just noticed that they have got a mistake and that they don't have C900 pipe under material for your water line. They have ductile iron.

Don Fawson - It's probably not even C900 it's probably Class C.

Jared Westoff - So, it's a draft and it would need to be fixed, but what we're after, Doris, is to know if LDWA would be willing to request an exemption so that we can put a forced main inside of the 14" sleeve.

Don Fawson - I talked to Riley, and I also talked to Paul Wright with the Utah State Department of Environmental Quality. Paul is over all water issues here in Southern Utah. I spent some time today discussing this request with them. So, there is an exception that Paul Wright thought would work and that is that as we

are hopefully are able to install our pipeline on the east side of Main Street, we can move it over so there is a 6-foot gap between those two lines. He thought that would create sufficient clearance. In addition, if there's any crossing that we have that goes perpendicular to that pipe then there must be an 18-inch separation and probably cemented in place so it is not going to be an issue with contamination. Part of the reason for that is so that if any repairs have to be done, that you're not going to be hitting both the water line and the sewer line. And we know that those kinds of things happen? One of the things I wanted to know is if the HDPE has a tracer wire?

Mark Osmer - I'm not too sure. I think it does.

Don Fawson - You think it does?

Mark Osmer - Yes.

Don Fawson - That would help tremendously.

Larry Bruley - I don't remember seeing any wire when Landmark was pulling out south of Town. I don't remember seeing any tracer wire. You remember seeing that, Mark?

Mark Osmer - I know I saw some wire being ripped out. Whether that was it or not I am not too sure. I could find out. I can ask Brett from Water Conservancy whether it's got tracer on it.

Don Fawson - That would really help. Because if they use HDPE for sewer line it is something to help keep us out of that business of hitting that line.

Doris McNally - And it's only just come up when we got the e-mail?

Don Fawson - Yes, Today.

Jared Westoff - Yesterday,

Don Fawson - Oh Yesterday, True, I just didn't deal with it until today.

Jared Westoff - I got a message from them that they wanted to know this week. So, I knew UDOT was pushing for an answer. I didn't realize the Conservancy was under that type of a time frame. I know they have been wanting to know and we have been researching and we have come down to the issue as to whether or not the State will give a waiver and in order to know if the State will give a waiver, we just need to know if LDWA would work with it and if you would, under what parameters?

Larry Bruley - If we have a missing component, I think it would be what would it cost the LDWA, especially in events like Don just mentioned. So, do they just hand out a free check, you know, a blank check and say yeah, sure, go ahead and then we'll just deal with all expenses later in the future. Doesn't seem to be prudent on our part.

Don Fawson - So that was one of the things in the discussions that we had, some additional costs, you know there needs to be a contract and the additional unknown costs need to be covered by you guys (Silver Point Estates). Any additional asphalt costs, any additional pipe removal costs, individual connection extensions, any cost for any redesign that needs to be done. I don't know if there would be a lot, but nonetheless those are possible. The other question would be on a spillage containment. So, if something happened within that line,

obviously it's going to go to the end of town. What happens to it then? Is there going to be a vault down there with an alarm in it or something to be able to take care of that or what's happening with it?

Jared Westoff - I would have to have our engineering team answer that. I don't know how to answer that one, Don. But I know that's a good question and we need to answer it.

Doris McNally – The Town has been talking about sewer forever. What is the status of this project going through Town? I mean, I haven't heard an update on anything, if it's feasible or if it's been accepted or if Council or planning has.

Jared Westoff - At this point we are working with Ash Creek on the piece that is outside of the Town boundary.

Doris McNally - But this is right down the Main Street of Town.

Jared Westoff - Agreed, so this is better because of the construction project timeline. We are reasonably adept to what we're doing here. We have got a timeline that's a little cart before the horse. We will take that risk if we agree to accept the line. We are just trying to gauge LDWA's willingness to work with this proposal and nothing is unreasonable that you guys are talking about. We want to make sure that any reasonable requirements you make, like if there's extra cost for moving your line or extra asphalt that has to be cut and replaced, that this sewer project would have to pay for that. We are OK with those types of things.

Doris McNally - How long can that sewer stay open without being functionally running, I mean. If it's abandoned, they want it filled in. I mean, what is the timeline for something like this to actually become functional?

Jared Westoff - This sewer line?

Doris McNally – Yes.

Jared Westoff - The southern piece will be functional within less than a year. This piece will be functional when we get all the details worked out between Ash Creek, Leeds, and Silver Point.

Don Fawson - As I see it that part really doesn't matter. But when you do that kind of thing, so they must have some kind of catchment at the top for the sewer and a macerator pump. That macerates solids and then pumps it through the line.

Jared Westoff - So what will happen here will happen relatively quickly thereafter. This is unbelievably perfect for a sleeve as far as the SPE project goes, because gravity will pick up within 500 feet of the subdivision. So, we'll come out of the sleeve and have forced main for a short distance, or we may extend gravity right to the end of the sleeve. Those are the details we have not figured out. We thought about them, but we haven't figured that out. And then on the north side of here, there will just be a normal force main without sleeve. And when that gets engineered, it will just have to stay 10 feet away from the Conservancy line and any LDWA lines.

Don Fawson - It seems to me if they are going to go from a bigger line to a smaller one, they are going to need to macerate the sewage to get it through the smaller line. Do you know what that means?

Jared Westoff - What do you mean?

Don Fawson - So it's like a blender, it blends all that stuff up and liquefies it before you send it down that line.

Jared Westoff – Oh, yeah. So, there will be a lift station that will force it into this force main and then from there it will go into a gravity line that will serve two projects on the South of Town. Then, at the end of the gravity line, right before you go up the Harrisburg grade, there will be another lift station. That's all been engineered.

Brant Jones - You mention that it's going to be inside the 10-foot separation requirement but you didn't mention how close it actually gets and for how far and how many times it crosses. I'm supposed to navigate all these plans and discern that I guess.

Jared Westoff - So, what we know is where the 24-inch line is, and we started the dialogue with Riley so we can figure out where your line is. My understanding is there's a few areas where it's about 6 feet, and it sounds like there's one area with quick preview that at 3-feet. And so, we'll have to finish figuring that out with engineering in order to meet the State standards if we have to stay 6 feet. We will want to get with Riley and understand how many linear feet of line is closer than the six feet separation. Then we'll make the decision from there if we are willing to use it or not.

Don Fawson - So, Riley said that on average it is about 4 1/2-foot separation right now. So, that would go along with what you're saying. So, Paul Wright said, well, if there's basically at least six feet separation, that would be sidewall to sidewall then he thought that the State would be willing to make that exception. So, there's no way that even if we filled this paper out and signed it, that it goes to the State, and they make a decision before the end of the week. I mean, that's not going to happen.

Jared Westoff - No, no, we know that. We are just trying to gauge how well we can work together on this. To know whether or not we are willing to take the risk of taking that pipe. The detail there is the Conservancy's willingness to contribute their cost to slurry fill the pipe less any of their expenses they have incurred in slurry filling that pipe to our project. So, if we have a decent feeling that, here's our parameters, we now know we have to keep 6 feet of separation. Before we would ever agree to take it, we would need to check in with Riley and we get that we would need to cover his time to evaluate this. Then we would say, how many linear feet are we less than six feet away? And then from there, we can make a decision, based off of the numbers, whether or not it's even worth using the 14" as a sleeve.

Don Fawson - Mark is it the plan to remove that current 6-inch line as the line is replaced on the east side? Is that what you did north of Vista Avenue when you put that 8-inch line in?

Mark Osmer - Yes, we removed most of it. They have removed most of it or some of it down there but a lot of it they are going to slurry fill.

Don Fawson - So, I guess my question then is. So, we would be slurry filling. So, if we are just moving the trench from here to here then it's not going to really make any difference to us, right?

Mark Osmer - What do you mean?

Don Fawson - In other words if they need to move the pipe, if they need to have that separation more than what it is. So, we have our current 6-inch line on the east side of Main Street, and we have to move it over say 2 feet.

Mark Osmer - Yeah, it's really not going to make any difference to us.

Don Fawson - So, it would just be a matter of digging the trench over here and then slurry filling the pipe or whatever. So, basically from my point of view the only issue is really assuring that there is absolutely no cost LDWA.

Jared Westoff - So, I think that's more than reasonable. So, what you're asking is in order for you to be asking for the exemption, before you do that, you want to make sure that we have an MOU or a contract signed that we will cover any additional cost to LDWA to meet the State waiver.

Don Fawson - There is one other thing that we need to think about and that is that we have this \$7.8 million or whatever and it has to cover the cost of this and the well and the pipe from the Spring. This particular pipeline replacement project on the east side of Main Street is to be a contingency. In other words, if we have enough money left, we will go install the pipe. So, if we don't then all of a sudden, we've got this issue where the pipe needs to be separated and we don't have the money to do it.

Larry Bruley - Jared, potentially what I think I heard you say was; you are working on engineering. Obviously, I think that would probably have to happen before we could ever submit this exemption request. You are looking for a tentative, "Hey if we can meet all the requirements, we come to an agreement with you guys as far as the finances or potential out of pocket cost for LDWA in the future that you'd be comfortable with continuing your pursuit of engineering is that correct?"

Jared Westoff - That's correct, and we would need to give the Conservancy the commitment we will take the line and then if we don't use it, we will have to slurry fill it. So, it's \$40,000 for them to slurry fill it and they have got some cost to mobilize that they are going to subtract that cost out of that. So, I'll get with them and figure that out, but we may only need about \$10,000.

Don Fawson - OK. So, the big issue as far as I'm concerned is kind of the unknown about whether we are going to be able to actually do the east side pipeline.

Jared Westoff - I think we have explored a lot of the unknowns to give us the parameter to make our decision. What I'm hearing is that you talked to the State and we have got to have at least a six feet separation. I think out of this meeting I can check with Riley and see how many linear feet it's within six feet and then I'll run the number and I'm not expecting any guarantee or anything. I just think I understand where the Board's at good enough that we can make our decision based on our risk and we are good with that.

Larry Bruley - Speaking for myself, I would be comfortable with this as long as everything is met, as long as everybody understands engineering. I know that the Division of Drinking Water is not going to approve something that they know is wrong, but we have to be comfortable too. You know, we have to believe in what's going to happen. You know Don has a good point, we don't want to get stuck with that either.

Jared Westoff - I think realizing that the east side pipeline is a contingency project, that if there's enough money, that line gets replaced. We're going to have to be evaluating our option pretty hard. So, this has been a really good meeting. I don't think I need any more out of this meeting. I really appreciate the feedback and understanding the perspective from LDWA. I hate that we are getting pushed on the timeline, but this is really helpful and we'll make a decision based off of this and then we'll make sure you know. So, you are not spending any time thinking about which way we're going.

VII. SHAREHOLDER COMMENTS

DISCUSSION

SHAREHOLDERS

Ron Cundick - Well, having listened to this. All I can say is, don't make a decision under pressure. This as you see is pretty complicated. And frankly, it's all one sided right now. I'm not saying they shouldn't have the benefit if we can give it to them, but I don't see we get locked in first and they don't want to be locked in, if I understood what was said here. There are a lot of engineering things. I don't know what can happen, but there's a reason for 10-feet.

Don Fawson - There is.

Ron Cundick - Things are going to happen and the pipes are going to break and you are going to have to have access to them. And future cost, you can say that I'm going to cover future cost, but who is going to cover them in the end, LDWA. I'm just saying I'm very skeptical without much more thorough analysis of this thing.

Don Fawson – Yes. I talked at length today with Paul Wright about this and he was very clear on why that 10-foot separation is there. However, the sleeving part of it is part of the mitigation. It's not the same as if there was a problem with an unsleeved line, any spillage is going to leak into that Secondary pipe and then exit downstream.

Ron Cundick - Sewers have a way of creating problems. That's something.

Don Fawson - Well, yes, water systems do as well, they all do. But anyway, I think to me we need to leave it to the professionals in the State to be able to decide if this is within reason and within their margins. Out of a concern for caution that's why I asked about whether there's tracer wire on the 14" line. If there's tracer wire then we can pretty well locate the line. There are tracer wires on our lines. We are putting that on all our new lines as well. So, I think that would be safe in that respect. But you are absolutely right, Ron.

VIII. MOTION TO ADJOURN MEETING

DISCUSSION	Don Fawson - All right. Thank you. OK. Is there anything else Brant, you have anything?
	Brant Jones - Nope.
	Don Fawson - Doris?
	Doris McNally - Nope.
	Don Fawson - With that, I'll call for a motion to adjourn.
VOTE	MOTION TO ADJOURN: Brant Jones SECOND: Larry Bruley MOTION APPROVED: Unanimously

ADJOURNMENT: 8:11 PM



Layna Larsen | Corporate Secretary

Don Fawson | President