



## MINUTES

DATE/TIME/LOCATION:	September 18, 2024	7:00 PM	Leeds Town Hall
TYPE OF MEETING:	<b>Board of Directors Meeting</b>		
NOTE TAKER:	Layna Larsen		
ATTENDEES:	Board Members: Don Fawson (P), Kurt Allen (VP), Doris McNally (T), Brant Jones (M), Larry Bruley (M) Absent: Layna Larsen (Corp Secretary) Staff: Mark Osmer (Field Operations Mgr) Shareholders: Terry Allen, Susan Savage, Amy Jones, Jerry & Deana Hardison, David Rhoads, Dan Brown Guest: Steve Newby (Landmark)		

## Agenda Topics

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

CALL TO ORDER	<b>Don Fawson</b> - Lets go ahead and start, appreciate all of you being here tonight. We will start with a Roll Call on my left.
ROLL CALL	<b>PRESENT:</b> Larry Bruley, Brant Jones, Don Fawson, Kurt Allen, Doris McNally <b>Don Fawson</b> - If we could open with a word of prayer and we'll have Layna offer that for us if you will please.

### II. PRAYER [Layna Larsen]

### III. PLEDGE [Don Fawson]

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

DISCUSSION	<p><b>Don Fawson</b> – To start off Layna can you let us know how tonight’s agenda was posted.</p> <p><b>Layna Larsen</b> - We posted it on the office door, we posted it on the post office bulletin board inside, and we posted it on the bulletin board outside, and it is on the website.</p> <p><b>Don Fawson</b> – OK at this time I’ll accept a motion to accept last meetings minutes.</p> <p><b>Doris McNally</b> - Just a notation for the people in the audience. We did have a problem with the recorder last month. It was only in the shareholder section. So, I reached out to Michelle and Susan asked them to bulletize the points they made and they reviewed them. So, in the minutes, I just want people to understand what happened. We're actually using two recorders tonight to make sure that doesn't happen again.</p>
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	<b>Don Fawson</b> - OK, thanks, with that, we have a motion and a second.
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: Kurt Allen   SECOND: Brant Jones <b>MOTION APPROVED:</b> Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Kurt Allen   SECOND: Brant Jones <b>MOTION APPROVED:</b> Unanimously

**V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Don Fawson]**

DISCUSSION	<b>DECLARATION OF ANY CONFLICT-OF-INTEREST</b>
	<b>Don Fawson</b> – Any conflict of interest?
CONFLICT	Larry Bruley, Brant Jones, Don Fawson, Kurt Allen, Doris McNally – All stated “No conflict”

**VI. OFFICERS REPORTS**

**a) PRESIDENTS REPORT [Don Fawson]**

DISCUSSION	<b>PETER GESSEL LETTER TO TOWN</b>
	<p><b>Don Fawson</b> - All right. So, I don't see anyone from Silver Eagle Estates, I talked to Devin today and he said there would be somewhere here. So maybe they'll come in later, I don't know. Moving on the first item on the agenda. Did all of you have a chance or take the opportunity to look at Peter Gessler's (LDWA Attorney) letter to the Town? It has to do with suggestions on that franchise agreement. Does anyone have any issues with that at all.</p> <p><b>Larry Bruley</b> - I didn't.</p> <p><b>Doris McNally</b> - I did, it's fine. It is appropriate.</p> <p><b>Kurt Allen</b> - I like what he's suggesting to do here, to follow in line with everything that we've been working towards. So, I agree with it.</p> <p><b>Don Fawson</b> - OK, just for the sake of everyone else here, this was just a letter to the Town indicating that the Leeds Domestic Waterusers Association would like to enter into discussions on how we can proceed relative to the Washington County Conservancy District also coming into Town and providing water. So, we'll move ahead with that. Before we do that, I would just like to do that with a vote. So, I would like a motion on this.</p>
VOTE	MOTION TO ACCEPT THE NOTE THAT PETER HAS DRAFTED FOR US TO THE TOWN OF LEEDS REGARDING THE SUBJECT: Doris McNally   SECOND: Larry Bruley <b>MOTION APPROVED:</b> Unanimously
	<p><b>Doris McNally</b> - I'll send Peter a note tonight about that.</p> <p><b>Don Fawson</b> - Mark I am going to turn the time over to you to go over what's been happening.</p>

**b) OPERATION / FIELD REPORT [Mark Osmer]**

DISCUSSION	<b>REPAIRS &amp; MAINTENANCE</b>
	<b>Mark Osmer</b> - So, we past our BacT again this month.

## **MAIN STREET PROJECT**

**Mark Osmer** - I've been working with Steve Newby at Landmark. We have located all our valves. They have raised up all the canisters to street level and they have them all concreted in place and they have completed all the paving. So, next week we can get in, flush the new 10" line and start switching over the service lines to the new 10" line and then we can abandon the old 6" line, pull the three old remaining fire hydrants out, and get everything wrapped up.

**Don Fawson** - And we'll have to go back and grout that 6" line.

**Mark Osmer** - We will have to go back and grout the 6" line. They drilled some holes in the road, and I told them just to fill them up with road base and then we can go back in and suck them out and then we can get it all grouted back in. We do have a couple of spots that we have to dig up. There is one up here where it crosses down just below Mulberry we have to dig up because it joins into the other 6" line on the east side.

**Don Fawson** - OK, did they clean off both manhole covers on that PRV down on Main and Center?

**Mark Osmer** - Yep, it looks good. It's all concreted. They are all brought up to level. It looks good.

**Don Fawson** - Anything else?

**Mark Osmer** - No, that's about it.

**Don Fawson** - We're going through, gathering up materials and trying to sort that out right now?

**Mark Osmer** - Yeah, we're going through materials. We are working with Ferguson (Plumbing Supply) and seeing what they're going to take back. We're just working with Steve and Landmark cleaning up the yard down there.

**Don Fawson** - Is Riley (Jones & DeMille) going to be involved in that too.

**Mark Osmer** - Yes, I'm going to sort everything out and then we're going to package it up and give it back to Ferguson.

**Don Fawson** - Alright, appreciate that, Mark.

**Mark Osmer** - OK. Thank you,

## **DOUBLE CHECK VALVES**

**Larry Bruley** - Mark, I have a couple questions. How many dual-check valves do we have left to replace for the year?

**Mark Osmer** - How many have we done?

**Larry Bruley** - How many is left to do?

**Mark Osmer** - Oh, like 10. So, I'm going to actually do those when I change over all new the service connections on Main Street. Once I will do those that will be our quota for the year.

**Larry Bruley** - Plus a couple extra.

**Mark Osmer** - We will be over, yeah.

**Larry Bruley** - And then we are going to start the fall hydrant flushing?

**Mark Osmer** - Yep.

**Larry Bruley** - The flushing and pressure testing?

**Mark Osmer** - Yep, once we get the PRV installed on the 10" line. I'm sure our flow rates are going to go up and it is going to be much better.

**Larry Bruley** - Thank you

**Don Fawson** – So, did you ever actually get all of the PRV's maintenance done before everything kind of came crashing down.

**Mark Osmer** - Yep. They are pretty much all serviced.

**Don Fawson** - Does that mean all of them or just pretty much?

**Mark Osmer** - Oh yeah, all of them. I have one on Bonanza I have to change to a small diaphragm in the 2 inch and that's it.

**Don Fawson** - Thanks, Mark.

**Mark Osmer** - OK, Thank you.

**Kurt Allen** - Thanks, Mark.

**Don Fawson** - Ok, Doris do you want to go ahead with financials.

### c) TREASURER'S REPORT [Doris McNally]


#### DISCUSSION

#### ANNOUNCEMENTS/BILLING/COMMUNICATION [Doris McNally]

**BILLING** for August was completed/mailed Sept. 1st.

#### NEWSDRIPS

Sept. Invoices included an article on the EPA Lead and Copper Rule (LCR). Showing all communities had to comply by 10/16/2024.



**CONSUMER NOTICE :: LEAD & COPPER WATER SAMPLE RESULTS**


The Leeds Domestic Waterusers Association Water System, I.D. 27010, is providing you with the lead and copper test results on the water sample collected at your location.

The results at the Oak Grove Spring on 09/21/2023 were: lead 0 mg/L and copper 1.3 mg/L.

The maximum contaminant level goal (MCLG) is the level of a contaminant in drinking water below which there are no known or expected risks to health. MCLGs allow for a margin of safety. The action level is the concentration of a contaminant that, if exceeded, triggers treatment requirements or actions a water system must follow.

- The MCLG for lead is "0" and the action level is .015 mg/L.
- The MCLG and action level for copper is 1.3 mg/L.

The water system's compliance with the Lead and Copper Rule (LCR) is calculated by using sample results collected from sites in our sampling pool. Your location's lead or copper results may be higher or lower than the compliance calculation for the overall water system and does not reflect our water system's compliance with the LCR. We will notify all shareholders if the lead or copper results from our system exceed the action level.




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](mailto:LDWAcorp@infowest.com)




**EPA LEAD & COPPER RULE**

To reduce lead in drinking water, EPA introduced the Lead and Copper Rule (LCR). All communities must comply by 10/16/2024. The LCR include requirements for utilities to create and maintain an inventory of water service and provide public education about the presence and effects of lead in drinking water.

The LDWA is currently taking steps to comply with these reporting requirements. Our ability to supply the data required is aided by the current Board's proactive implementation of a web-based mapping system (ArcGIS) back in 2022.

Providing safe, quality drinking water to our community is a core mission to you our shareholders.



LEARN MORE SCAN QR CODE

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Apparently, the EPA also added a requirement for all water companies to send out to water company customers a Lead & Copper Water Sample results by November 15<sup>th</sup>.

#### VOTE

**MOTION** :: TO ACCEPT THE CONSUMER NOTICE :: LEAD & COPPER WASTER SAMPLES RESULTS NEWSDRIPS ARTICLE W/ NEXT BILL. :: Doris McNally | SECOND: Kurt Allen  
**MOTION APPROVED:** Unanimously

DISCUSSION

**FINANCE [Doris McNally]**

**PAYCLIX**

In June we had 91 shareholders pay their bills using this payment option. The total amount collected through PayClix was \$12,083.07. 77% paid via credit cards & 23% via echecks. YTD we have collected \$55,492.41 through PayClix.

	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	53	\$2,973.87	41	\$1,955.02	94	\$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
Jun-24	50	\$4,524.05	43	\$3,277.78	93	\$7,801.83
Jul-24	47	\$3,851.97	44	\$3,581.18	91	\$7,433.15
Aug-24	58	\$9,246.10	41	\$2,836.97	99	\$12,083.07
	<b>412</b>	<b>\$34,553.20</b>	<b>340</b>	<b>\$20,939.21</b>	<b>752</b>	<b>\$55,492.41</b>

**FINANCE [For the Month of Aug 2024]**



TOTAL INCOME		
ACCT	BALANCE	% to TOTAL
Ord. OI:	\$36,488.37	89.3%
Other OI:	\$4,390.41	10.7%
	<b>\$40,878.78</b>	<b>100.0%</b>

TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL
Ord. Field OE:	\$3,221.23	21.8%
Ord. Admin OE:	\$1,626.23	11.0%
Professional OE:	\$265.00	1.8%
Labor Expenses:	\$9,640.04	65.3%
	<b>\$14,752.50</b>	<b>100.0%</b>

**FINANCE [For Year-to-Date 2024]**



TOTAL INCOME		
ACCT	BALANCE	% to TOTAL
Ord. OI:	\$214,121.96	89.3%
Other OI:	\$25,707.31	10.7%
	<b>\$239,829.27</b>	<b>100.0%</b>

TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL
Ord. Field OE:	\$65,944.93	38.5%
Ord. Admin OE:	\$16,386.42	9.6%
Professional OE:	\$17,795.50	10.4%
Labor Expenses:	\$71,113.36	41.5%
	<b>\$171,240.21</b>	<b>100.0%</b>

**The LDWA's Banking Accounts [as of 09/13/2024]**



CHECKING ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Checking	\$76,570.64	34.2%
2 - Business Checking	\$147,216.08	65.8%
	<b>\$223,786.72</b>	<b>100.0%</b>

SAVINGS ACCOUNTS		
ACCT	BALANCE	% to TOTAL
1 - Emergency Reserve	\$355,035.68	67.7%
2 - Loan SRF-3F1892	\$79,652.25	15.2%
3 - Impact Fee Fund	\$90,067.41	17.2%
	<b>\$524,755.34</b>	<b>100.0%</b>

VOTE

MOTION TO APPROVE FINANCE REPORT: Doris McNally | SECOND: Kurt Allen  
**MOTION APPROVED: Unanimously**

DISCUSSION

OFFICE :: LCRR SURVEY & REPORTING [Doris McNally]

As a part of the Lead & Copper Survey requirements, we need to reach out to our shareholders and obtain details regarding what types of pipes they have from their LDWA meter to their structures. To meet the deadline of October 16<sup>th</sup> we needed to have details on 12 shareholders pipes. The 12 were selected randomly by Sunrise Engineering in accordance with the DEQ’s guidance. We put a survey card together and approached each shareholder to obtain the required info.

**WATER LINE INVENTORY SELF ASSESSMENT**

Survey must be completed and returned to this office.  
Please return to: Leeds Domestic Waterusers Association | P.O. Box 460627  
Leeds, Utah 84746-0627 or email to: ldwacorp@infowest.com

**1. SERVICE INFORMATION:**


Account #:	404
Service Address:	325 W SILVER REEF RD
Account Name:	LDWA STORAGE TANK
Phone:	(435) 879-0278
E-Mail:	ldwacorp@infowest.com
Type of service:	RESIDENTIAL

**2. PIPE INFORMATION**  
Based on the appearance, testing, or existing records, please mark the appropriate material of your water service line. Use the image below for visual identification if you are able to do so.

Lead     Galvanized Steel     Brass  
 Copper     Plastic     Other

**3. WATER SERVICE LINE INSTALL DATE**  
Please provide the install year of your water service line. \_\_\_\_\_

**4. SOURCE OF INFORMATION**  
How did you determine the material of your water service line \_\_\_\_\_

The information was then sent to Sunrise Engineering, and on Monday we submitted our report.

Going forward we will need to get shareholders to submit information on **their** water supply lines. I am investigating potential methods to obtain this data. I’m in contact with the State to see if we can do an email/online survey. If we can this will minimize expense. I’m already obtaining quotes to create submission templates from the web firm that assisted us in creating the usage/billing calculator we have on our website.

**Don Fawson** - Do they have a specific % of response that they require.

**Doris McNally** – No, all they wanted for this year was at least 10% of your population and luckily, since we have a small population, we're happy to respond to that, but they haven't put out that statistic. But, knowing that they probably will want something bigger, I think we should get in front of it and once again and if this is programmed properly, we can use it for other things in the future.

DISCUSSION

LEEDS TOWN :: SPIRIT OF SERVICE [Doris McNally]

Some on the Board may not be aware but Mark Osmer (And Doris McNally) was awarded the Town’s Spirit of Service Award last week at the 9/11 at the Flag Retirement Ceremony. For all the wonderful work and time he has volunteered to the Town in regards to the Protestant & Catholic Cemetery water drainage work, the Leeds Cemetery restoration work, assistance to residents, etc. So, I’d like to make everyone aware of this, and offer a public acknowledgement to Mark. **Congratulations Mark!**

We so appreciate not only the work you do for the LDWA, but the spirit of volunteerism you have for our community.



## d) BOARD MEMBER REPORTS

DISCUSSION	LWC AGREEMENT [Brant Jones]
	<p><b>Brant Jones</b> - I don't have many updates other than hasn't rained much, I guess everybody knows that. But as far as the working together with LWC, it is working. Mark it is still diverting water to LWC. What are the gallons per minute now or is it the same as it has been?</p>
	<p><b>Mark Osmer</b> - It is the same, 100 gpm.</p>
	<p><b>Brant Jones</b> - So, we need to go up and do another assessment.</p>
	<p><b>Mark Osmer</b> - Yeah, just let me know and I can adjust it.</p>
	<p><b>Brant Jones</b> - I don't know if there is a drop in use as the temperatures are dropping. We may need to do another calculation on that and see. It is good working with Mark. LDWA and LWC, are doing well. Tom (Beach, LWC President), said, we have another LWC meeting coming up within the month. Hopefully we can make more progress on the agreement between the two companies.</p>
	<p><b>Don Fawson</b> - So, I had, an opportunity to try to communicate with Tom but then he was sick and so he went back to California. I guess that's where he is at right now. I had talked to Brant and also Craig and they had mentioned that that was the case, and they would try to make sure we could work with him. I think the one thing that is kind of holding this up at this point is Peter's review of the latest version that we sent him. Doris, have you heard anything back on that.</p>
	<p><b>Doris McNally</b> - Once I got the other letter, I sent an immediate letter to Peter asking him to follow up with the second one. So, as we all know he had COVID, and he wound up being out of pocket for a little while. There is a very good chance we can expect to see it by the weeks end.</p>
	<p><b>Don Fawson</b> - Great, that would be perfect, then based on that, we could get the agreement process moving forward.</p>
	<p><b>Brant Jones</b> - What does that mean?</p>
	<p><b>Don Fawson</b> – Basically, what happened is Doris had just sent the original along with the proposed new one up to him to see if there were any issues and so I suspect there won't be, but you never know. So, we hope that any suggested changes are minimal and that we can work through that and we can get the agreement finalized everybody's benefit.</p>
	<p>OK, Larry, did you have anything that you wanted to report?</p>

DISCUSSION	FIELD [Larry Bruley]
	<p><b>Larry Bruley</b> - Well, it took me a really long time to get around to training Alex. Alex got trained trial by fire with Mark in the field, but he hadn't done his Hazard Communication Standard (HazCom) and his other UOSH stuff. But I was informed today that Alex he has resigned. So good thing it took me so long to get around to the training because now I don't have to do it, now that Alex is no longer with us.</p>

Other than that, I don't have a whole lot to report. I know we did receive our confined space safety signs finally. Mark have you come up with a way to properly mount them?

**Mark Osmer** - No, not yet.

**Larry Bruley** - I see a lot of places where they actually put it on top of the manhole, but they don't last. That's not going to work for us. I think we would like for them to stay good for more than two days because when they're on top, they get run over and all kinds of stuff happens to them. So anyway, I don't really have much to report.

**Don Fawson** - Thanks Larry, appreciate that. Kurt, can you give us an update on anything that's going on with the BLM or the Forest Service.

#### DISCUSSION

#### PROJECTS [Kurt Allen]

##### **BLM PERMIT**

**Kurt Allen** – Don, Riley (Jones & Demille Engineering) and I had a conference call with the BLM two days ago to go over the treatment plan for the well site and see if we can move that along. The meeting went really well with them. We had everybody there, including the archaeologists that had given us the proposal to do the clearance and the treatment on the site and our goal was to reduce the amount of work that needed to be done and clarify how the BLM was expecting it to be done in order to get the archeologist's bill reduced so that we can feel good about moving forward. To be honest with you, he was way out of reason with his billing. So, we have made good progress with that. Just today the BLM returned their notes and their minutes from the meeting that we had, and I read through those, and they seem to be in line with what we had discussed. It simplified the process quite a bit. So, now the archaeologist will give us a new quote / proposal on what it's going to cost to do the clearance for the well area treatment plan and we're expecting that to be cut down probably 60 - 70% if all goes well. We are still several weeks away from having a BLM permit. We are going to be pushing the Archaeologist. He is currently working for Jones and Demille on other projects, so we finally got somebody on site that's dependent on us paying their wages and they are a little more interested in our efforts. So, I think that the Archaeologist will move forward with that clearance rather quickly, and once we get that back to the BLM, then they can get that approval by the two Indian Bands (Piute Tribe) and the BLM themselves and hopefully the permit will come through shortly after that. So, I think we are getting close, not too far away on that. Then we can get our well contract out to bid and get started drilling our new Well.

**Don Fawson** - Appreciate Kurt and Riley being there, they are a lot more professional than I am and able to say things in a lot more congenial fashion.

##### **WATER SCHEMATIC**

**Don Fawson** - Also, I want to pass this out. This is basically a redraw of the storage tank schematic. I sat down with Mark and went through this, and it looks OK then, Mark?

**Mark Osmer** - Yeah, looks good.

**Kurt Allen** - This is about draft 6, isn't it Don?



**Don Fawson** - Yeah, it is. It has been a lot of fun. But if you will look that over, just to basically clarify, the water comes down from the Spring and it goes through a meter and then there is a Y in the line, which barely up the Oak Road just around the corner at the top of the hill. Part of the Spring water goes directly into Town and part of it flows into the Highlands Tank. Water from the Highlands tank is also supplemented with the Well if in fact the Spring Water isn't sufficient to keep the tank full. Based on the Spring Rights chart that the State Engineer has given to us Brant and Mark work together to decide how much of the total Spring Water flow needs to go back into the LWC Weir. There is a meter and valve on the Weir line so Mark can adjust the flow based on what he and Brant agree should be diverted. It doesn't matter whether the water is coming from the Spring or the Well, it's still wet and we just need to make sure that LWC gets their correct volume of water. There are two overflows on the Highlands Tank. The primary overflow takes water to the LWC Weir. It is not corrected against the amount that they should be receiving, it's just excess. Also, you'll see there's a secondary overflow. In the event we get so much water coming down from the Spring than we are consuming and the flow is beyond the capacity of the primary overflow then that overflow is used. We want to make sure we keep the water out of that secondary drainage if at all possible. So, the water flows from the Spring initially into the green tanks and then the pink tank, they are lower than the Highlands tank. There is an auto valve so when these tanks fill water is diverted to the Highlands Tank. If water going into the pink tank and the green tanks also flows down into town. But Mark described that water from these tanks flows in a separate line down past the old cement storage tank and actually drops in behind the PRV down in that area. You have to do that because these tanks are lower than the Highlands Tank otherwise, we wouldn't be able to get any fire flow out of those tanks. I don't know if any of that makes sense. Do you have any questions?

**Kurt Allen** - That completely makes sense to me, Don, but I'm sure there's a lot of confusion in the audience out here, but this entire tank system is based on pressure ratings or pressure zones and so there is a PRV right at the end of the asphalt just before you drop off the hill up at the end of Silver Reef Rd there and that is what governs what happens in these tanks. The water coming out of the tanks that goes into the system drops in on the lower pressure side of that PRV and the pressure above that PRV is what pushes it up into the tanks so that pressure differentiation is what governs what happens in the tanks and what water flows down to Town in the system.

**Don Fawson** - The Highlands Tank basically feeds more of the upper end of Town up in Silver Reef and that area, so they've got the higher pressure up there.

**Brant Jones** - Mark is there no direct line from the well to the LWC Weir. So, it has to go into the tank and hit maximum capacity before it goes.

**Mark Osmer** – No, water is pumped into the bottom of the Highlands Tank and exits out of the bottom of the Highlands Tank. The over flow is just that, an overflow. We always have water flowing through the tank, either from the Spring, the Well or both and control the level so it stays near the top of the tank.

**Don Fawson** - (Discussing and showing Brant the Diagram)

**Brant Jones** - So the tank needs to be full before it overflows.

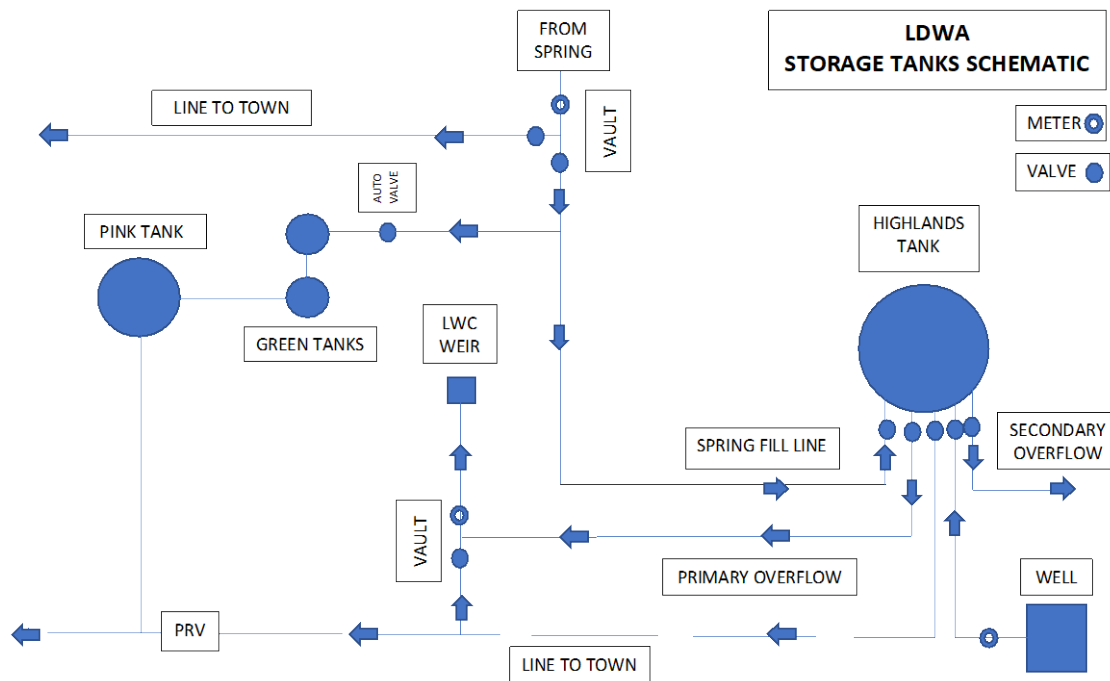
**Don Fawson** – Yes, but the water flowing to LWC and metered comes from the bottom of the tank and is constant. The tank just needs to have water to feed the line to Town and the LWC diversion line.

**Mark Osmer** - So, I turn that LWC valve on there and it allows water to flow into the LWC Weir.

**Brant Jones** - It just doesn't show whether these are the top or the bottom of the tank. Thank you for clarifying.

**Don Fawson** - Good question, any other questions on that? All right at this point we will take any shareholder comments. Susan did you have anything you wanted to add, why don't you come up.

**SEE WATER SCHEMATIC DRAWING BELOW**



**VII. SHAREHOLDER COMMENTS**

DISCUSSION	SHAREHOLDERS
<b>GROUND WATER MANAGEMENT</b>	
<p><b>Susan Savage</b> - We have a new Regional Engineering here in cedar, whose name is Mike Freeman. Michelle PEOT and I went up and we didn't get to meet him, he was out of the office. Nathan was going to introduce us to him, but we did meet with Nathan about the possible Groundwater management program. He was saying we would have to be designated as a critical management area and decide on the borders of what the area was that we wanted to assess. So, Nathan has been promoted to the position of assistant State Engineer and he'll be over enforcement throughout the State and a bunch of other things he mentioned. His office will still be in Cedar City.</p>	
<p><b>Kurt Allen</b> - So, Susan, did Mike Freeman work under Nathan? Was he brought up from within or did they hire him from outside?</p>	

**Susan Savage** - When I emailed Nathan and asked if we could come and see him, he said that would be a great time, He could introduce us to the other people, tell us about them, but when we got there, they had to go out on assignment and we really didn't talk about that, I don't know. It's a name that I wasn't familiar with. I've talked to a couple of other people in the office before, but that wasn't someone that I knew.

**Kurt Allen** - OK

**Larry Bruley** - Susan, just to be clear. Are you saying they told you basically there has to be a problem before they would consider doing a ground water management program?

**Susan Savage** - No, we have to monitor the water levels in different wells over the period of years and be able to demonstrate a downward trend.

**Larry Bruley** - That is what I am saying, so, they are not going to do this unless we can prove there is a problem and show that we are seeing a decline.

**Susan Savage** - Yes.

**Larry Bruley** - That seems strange.

**Don Fawson** - How long have you been doing this for, at least a couple of years or more, and so how much data do they need, how many years?

**Susan Savage** - He didn't give us specific years and maybe when Michelle Peot is back, she is out of Town, I think she emailed you a report on that. She took a lot of notes on it, and he showed us some examples of things, but as mentioned, Michelle and I talked about the report that I had done earlier. and so, she said well with anecdotal reports unless you know so, this is what we have to go into now and we'll both be doing a lot of work on this. We have to look at the wells in our area including the depth of the wells. Our well, for example, if it is not as deep as some other wells, then it may show a decline while other wells are not showing the same thing so, they are not comparable. And that's more technical than I am, you know, ready to think about or describe right now. But I don't know how many years or the period of years that we would have to do that. But we would have to see that. I think I mentioned before that I had talked with Southwest Sales to see what people would need on their Wells to be able to measure the water level. So, we would need to talk to people and see if they are willing to participate and have us come out and see. Southwest sales thought that most pumps probably have a little place where you can insert what's needed for that and it may not be obvious so that people recognize it. But that's what we would do next and talk to you some more about all that. But the bottom line, we asked when we gather the data, who has access to that data? But what Nathan said was if they establish that there's a downward trend in the area. He mentioned, they are doing it at Sand Hollow, they have been doing it in Escalante Valley and Enterprise for a number of years now and they have a really long-range plan for that, but if they establish that there is a downward trend, then they start curtailing the junior water rights. So, one of the things that Michelle said, *"when I get back then I'll start assessing and looking at the records on the Wells in our area and finding out which ones have the senior water rights, the more senior and the more junior water rights would be affected by that, that is what they do."*

**Don Fawson** - So, the date of those water rights determines whether they're senior or junior.

**Susan Savage** - Yes.

**Don Fawson** - And when they say curtail does that mean cut back or just cut them off.

**Susan Savage** - I don't know. He didn't say eliminate, he said curtails. So that's another question for us to ask. He did mention that what they're seeing at Sand Hollow, he said *they are experiencing a decline over there and the junior water rights actually belonged to Hurricane and Saint George and He said that's going to present some challenges for them.*

**Larry Bruley** - So potentially we collect the data, provider data, and then end up getting hurt in the end.

**Susan Savage** - It depends on what your Water Rights are I guess.

**Larry Bruley** - Correct.

**Susan Savage** - If you have a brand new water right, you know other people have older ones, Nathan talked about some case studies from court that had been done for People who challenged things and it comes down to what we already knew, which is - as He said, *the newer water right holder has to be able to assure that they will not negatively impact the older water rights. However, it's up to the water right holder who thinks they're being damaged to prove in court.* So that's a big deal. We said to him, *yeah, that's really hard.* He said, *yeah that's hard to do in our area.* Like if we wanted to take our well that's declining and try to prove who is taking the water from it, we'll be assessing everybody in the area and the water Conservancy District and introducing water tracers and who knows what to try to prove, who it was that is causing the water levels to droop. So that's really difficult. That is how the State has determined to handle situations.

## **WCWCD WATER RIGHTS**

**Susan Savage** - Another interesting thing that we learned is that Washington County is actually in the Lower Basin on the Colorado River Compact. Isn't that interesting? They talk about it, as though The Compact States that it's actually determined by the tributaries that go into the Colorado River above and below Lees Ferry and ours goes in below Lees Ferry so he just said nobody's really talking about that fact much.

## **NORTH LEEDS**

**Susan Savage** - And then the last thing I thought you might be interested in is that I attended a couple of DTAC meetings, that's Dixie Transportation Advisory Council. I attended the DTEC, which is the Executive Council meeting. In the DTEC meeting there was quite a bit of talk about the North Leeds issue, the regional transportation coming into our area. There was quite a bit of a discussion about Silver Cliffs, the former Grapevine Wash development. About where they are getting their water and from the back and forth that I heard, it seemed like there was a question about whether they actually have the commitment from the Conservancy District which I thought was interesting. I think my understanding from years ago with the Grapevine Wash development was that they had said that they had a commitment with a will serve letter from the Conservancy District and then confirmed in the Leeds Town Council Meetings where their Plans were approved in these last weeks. They said they

had a commitment from the WASHINGTON COUNTY DISTRICT, for part of their water. And so, I was interested in listening to this conversation with the people in the DTEC meeting.

**Don Fawson** - So it's up in the air.

**Susan Savage** - Sounds like it is.

**Don Fawson** - Anybody have any questions?

**Susan Savage** - Someone may have more questions and I don't know if I have more answers.

**Doris McNally** - Appreciate you coming. Thank you.

**Larry Bruley** - It makes me wonder if some of the reactions you got is the reason why Grapevine hasn't been completed, is because people get to a certain point and realize you might be opening pandora's box in regard to who's going to end up with the short end of the stick on this, but interesting that they basically told you there has to be a problem before we consider looking at it.

**Susan Savage** - You know my last call from Michelle, which was yesterday, she said that she had had communication with someone at the Office of the Conservancy District (WCWCD) saying that they are moving through the area with groundwater management assessments and plans starting with Gunlock and moving this direction with those assessments. It might take a while since Gunlock's quite a way away from us, but it sounds like they see that the assessment needs to be done. Victor Iverson (County Commissioner) told me, I'd could have a little conversation with him on other issues like traffic issues and so on. He said, *We have a 20-year plan, and we are cutting new developments down to the bare minimum on the number of their homes and hoping that at the end of 20 years we have the Lake Powell pipeline.* And then interesting, somebody said to me, this is just me talking now. What a wonderful deal it was these last flash floods we had and what a great deal it was for Quail Creek Reservoir to bring the water levels back up. And I said, Well, as for Lake Powell, they're the same as Quail Lake, the water from those floods is not clear water. It is like chocolate pudding. So, those reservoirs are also losing their capacity to hold water because there is so much sediment going in.

**Kurt Allen** - Very true

#### **SEE MICHELLE NOTES - ATTACHMENT AT END**

**Don Fawson** - Appreciate that Susan, anyone else? OK, right now Kurt I will turn a little time over to you.

#### **COMMENTS FROM KURT ABOUT TIME ON BOARD**

Kurt Allen - OK, I'd like to take just a minute and brag about the successes of this Board. I've been on the Board now for three years. I believe Doris and Don are going on five years. This Board has accomplished a lot, and we've been able to get a lot of things done during the time I have been on the Board and I'm regretting the fact that I'm going to have to resign from the Board, because I'm moving. And you know, life only hands you just a handful of life changing events and I'm having one right now. You know, I went through my midlife crisis a long time ago. But I didn't see this one coming and so I'm going to be moving into Washington City and selling my home here and that is going to happen next

month. So, I will be giving my letter of resignation to the Board at our next Board meeting. I just wanted to highlight some of the things that we have accomplished just in the 3 years I have been involved. And the crown jewel of all of them is the Division of Drinking Water Loan and Grant for 7.8 million dollars for our projects. That has been an exciting time and who would have guessed that it would have been at the stage that it is at right now, struggling with a couple of the projects but having a big win with the 10" water main down on the West side of Main Street and having that installed and being completed, because of our relationship with the Conservancy District. Within the three years that I have been involved, we have gone from the Conservancy District being an entity that we don't want to associate with to an entity that we have successfully partnered with and built a relationship with allowing us to partner with them on putting that 10" water main in their trench at the same time they were installing their 24" line. That was a major accomplishment and I've got to give credit to this Board and to Zach Renstrom, the director of the Conservancy District, for being open to that partnership and for the engineers to work tirelessly to bring that together and do the design and make that happen. It was a great success and I especially want to thank Landmark construction; Steve Newby, their representative, is here. And Steve, thank you for all your hard work on our behalf to get this 10" water main put down Main Street. That has always been kind of a bottleneck for our system and relying on those two 6" lines going down Main Street. Now we have a good healthy line that will carry the necessary water flow for years to come down Main St.

And some other things that we've been able to accomplish: I want to give credit to Doris and her husband for identifying all of the fire hydrants in Town which is an amazing and great accomplishment. And think that we have not only identified the fire hydrants, but we've now been able to increase the flows for better Fire Protection for our community. That is a big safety issue.

Another thing that we've accomplished is being able to get our GIS data recorded for every water meter and hydrant in Town. We know exactly where they are. We have a GIS map and data base that the LDWA and the State can refer to. We are referring to them all the time it sounds like with the State on this lead and copper study and providing that information and being very professional about it because of the professional way that our office is organized. I want to recognize Doris and Layna because of the professional way that they have taken care of the office and presented LDWA to the State. That's the reason why this little private association, received the biggest loan grant from the Division of Drinking Water in the entire State of Utah. And it wasn't all loan and high interest for those of you that don't know, it was a 0% interest for the loan portion and there was nearly 4 million dollars of it that is grant that is loan forgiveness. An amazing effort and that comes from these two people right here presenting this association to the State in such a professional way and doing such a great job with that and I want to compliment them.

We've been able to rekindle a relationship with the Town. And we are still working on that relationship. With the Town getting into the water business, with the Regional Water Agreement with the Conservancy District, it is critical that LDWA, brings this relationship with the Town full circle and gets an agreement with the Town to create a trilateral agreement basically between the Conservancy, the Town and LDWA and protect our water as it is, not intermingle the water but have the Conservancy District water as a backup to the outlying areas of our community. So that this community can operate with a full pipeline of water when and if an emergency created the need. It is a critical relationship that we need to build with the Town, and I hope LDWA can get that completed.

We have been able to bring around the relationship with LWC. This started when we brought Dave Sterling on the Board. Brant (Jones) has followed up by being elected to the Board. And it has been an important relationship to have an LWC Board Member on this Culinary Water Board. I think this is a critical relationship that is in the best interest of this community. I think that we need to work towards actually putting it in the bylaws that an irrigation company board member serves as a Board member on LDWA's Board and the reason for that is that it maintains an open, transparent relationship with LWC. And to be honest with you, LWC owns 93% of the Spring water first class rights and LDWA has no business acting like they controlling the entirety of the Spring because we are not. This relationship that we've built with LWC to provide back to them their fair share of the piped Spring flow is critical for this community. We're just giving their water back to them, it's not LDWA's water, it's their water that's brought down in our pipeline and we're returning it to LWC. It's critical that we maintain that relationship into the future. I want to thank Brant, and I know Dave is not here, but I want to thank them for their efforts. That positive relationship has been amazing.

I mentioned the Water Conservancy District (WCWCD) relationship. We need to continue to maintain that relationship. For a lot of years, the Town has shunned the Conservancy District as being the enemy. I hope from this time forward that LDWA will look at the Conservancy District as their friend, and as an ally, and as a partner in the water business, and I hope that relationship can continue to grow. The Conservancy District is interested in the success of LDWA, and they want to see us succeed. They want to see us exist and be who we are. They're not trying to take us down. They want to see us succeed as a private water company because they too are impressed with the way we operate as a water company. And they are proud of us. They want to support us, and I hope we can continue to work together.

We have had a lot of great success in the field, and I want to recognize Mark and the work that Larry's done to support Mark in the field to get our safety in order to meet the UOSH requirements and obtain necessary certifications. And Mark, you do a fantastic job and I consider you a good friend.

**Mark Osmer** - Thank you, Kurt we are going to miss you.

**Kurt Allen** - I'm sorry, and I'm torn but I'm so proud of this water company and the things that this Board has accomplished. And I want to thank this Board for allowing me to work with them and make these things happen. Thank you.

**Don Fawson** - Thanks Kurt, I think I speak for all the Board members that we have felt your influence on the Board, and it has been absolutely positive. I don't think that the loan would have happened, and I think the guidance on the engineering and everything else that we received has been invaluable. I don't think it would have happened without you. So, I just really appreciate that. I also appreciate you as a friend, we are going to miss you, as a friend and neighbor. So, I hope that you don't forget us. You can still stop off at this end of the freeway.

**Brant Jones** - There are open seats at the meetings, too.

**Don Fawson** - We will let you know when they get a little dicey and you can enjoy that too.

**Kurt Allen** - Enjoy it again.

**Don Fawson** - Yeah, anyways, Thank you. All right. I'd like at this point to ask Mr. Rhoads and Mr. Brown, if you wouldn't introduce yourselves. I know both of you have expressed an interest in possibly being on the Board and if I am correct and I'd just like you to maybe share a little bit of your background and maybe what interest that you might have in a Board member position. Would you be willing to do that?

#### **SHAESHOLDERS INTERESTED IN BEING ON BOARD**

**Don Fawson** - Mr. Brown would you come up? You might as well get used to this.

**Dan Brown** - I've been a part time resident of Leeds since 2020 and became a full-time resident here in April. I sold my place in Nevada and now Leeds is home. I love this community; I love everything about it. I love the people, and this is evidence of what grassroots Politics can be, I mean, look at the success we had here, look at the accomplishments, and I would hope that I could continue with that. And what I really found refreshing about tonight was how the Board is determined to work with other agencies in the area as well as the State. That's great, it is better to have friends than it is to have adversaries. And as long as we can foster that, I think that is a positive way to move forward. A little bit about me, I have an engineering background, haven't done it for over 30 years. I own a small business in California. I'm not from California originally, I'm from the Midwest. I left California because things changed, and I changed. Sometimes people diverge, sometimes things happen beyond our control. But I love Leeds. I love everything about this Town. I know we are in the path of growth, I know, it's coming, and I just hope we can manage it in a good way that maintains our quality of life, but at the same time accommodates room for other folks who want to enjoy the experience that we do. Thank you.

**Don Fawson** - Appreciate that Dan. David would you like to come up?

**David Rhoads** - Hi everybody, my name is Dave Rhodes. I've been living here in Leeds for about five years now. I am a Licensed Professional Engineer, Civil and Structural, in the state of Utah and I would just like to help if I can in any way I can.

**Don Fawson** - Appreciate that. Dave and I had a chance to talk quite a bit. In fact, I took him around and showed him some of our infrastructure. I think Doris did the same with Dan. And you have had experience in water lines.

**David Rhoads** - The design and construction, not much in operations and maintenance.

**Don Fawson** - OK. So, construction, as I understand you did some pretty big kind of construction projects, is that the case? What I'm asking you to do is to brag a little bit here.

**David Rhoads** - Yeah, I've been involved with some really big projects building, whole cities in Saudi Arabia, and building the Central Artery Tunnel project in Boston. Just a whole lot of big things like that. I was transferred to Salt Lake to work on the Olympics, and I did that. That was really interesting.

**Don Fawson** - So, what part of the Olympics? What did you do?

**David Rhoads** - I was in what they call venue development. And so, for each venue, there is a list of improvements and things, bleachers, video boards, you know, all kinds of things. I was in charge of six



different commodities where I had to put it out for bid, write the specs, and then evaluate the bids, and award the contracts. And, you know, things like video boards and I didn't know anything about video boards, so they hired a consultant that worked for me who was Pink Floyd's technical director. I mean, that was the kind of talent that they had there at the Olympics, showbiz, you know. It was really refreshing because I worked for the biggest engineering and construction company in the world, Bectal, and if they were assigned to run the Olympics it would be, 10 years late, because that's just how they look at things, you know, with every change order, you know, we needed more time. These guys were all, the shows got to go, there's no tomorrow. So that was really refreshing. I don't know, it's all been good. I'm retired now. I just retired this past year. So, getting a little restless and my wife wants to get me out of the house.

**Don Fawson** - I think we can actually help accomplish that.

**David Rhoads** - Yeah, so anything I can do to help I am willing to do it. I look at it like I've got a vested interest in this whole thing and just want to give back to the community in whatever way I can.

**Don Fawson** - Thanks Dave, I appreciate that. Thank you, Dan. Thank both of you very much for throwing your hat in this ring. All right. Is there anything else? At this point, then, I'll call for a vote to close the meeting.

## VIII. MOTION TO ADJOURN MEETING

DISCUSSION	<b><u>Don Fawson</u></b> - Alright, I'll accept a motion to adjourn.
VOTE	MOTION TO ADJOURN: Brant Jones   SECOND: Kurt Allen <b>MOTION APPROVED:</b> Unanimously

ADJOURNMENT: 8:03 PM



**Layna Larsen** | Corporate Secretary

**Don Fawson** | President

### Division of Water Rights role updates

- Nathan was promoted to State Engineering Manager.
  - Michael Freeman took over his former regional role.

### Groundwater Management Plans

- Governed by UT Statute [73-5-15](#).
- One-third of water rights holders can compel DWR to initiate the assessment process.
  - They have been doing this by ownership volume, but the statute states that it's based on the number of water right holders.

*The state engineer shall adopt a groundwater management plan for a groundwater basin if more than one-third of the water right owners in the groundwater basin request that the state engineer adopt a groundwater management plan. 73-5-15.(2c)*

- In order for a Groundwater Management Plan to be initiated, the region has to be declared a critical management area, meaning that the average water withdrawals have to exceed the average water inputs.
  - This requires monitoring trends, which is typically done by USGS or UT Geological Survey (UGS). [surface water dashboard](#) | [groundwater trend viewer](#)
    - USGS Technical Services contact: James Rees
    - Usually they will work with existing water right holders to set up monitoring of existing wells.
  - We have [very sporadic official monitoring wells](#) in the area with the exception of around Sand Hollow.
  - Of note, no well water right holder is guaranteed a static water level according to a UT Supreme Court decision.
  - Some wells in the area bounce back quickly.
- The plan is developed as a collaborative process between water rights stakeholders, with junior water rights holders having to do a gradual curtailment until safe yields are restored.
  - Economic impact is taken into consideration.
  - These plans can encompass long time horizons.
    - For example, Beryl is on a 110 year plan.
- The boundaries for a critical management area can vary depending on the region's hydrology.

- For example, places like Parowan and Beryl are more straightforward. Here, multiple areas are likely.
  - The groundwater management plan process has been initiated for Sand Hollow for example.

#### Groundwater modeling, recharge, and protests

- With regard to WCWCD being more aggressive about surface water recapture and fully lining Toquer Reservoir:
  - Water takes a dive from Ash Creek due to fissures running parallel to the highway.
  - Water rights holders are allowed to build infrastructure that blocks aquifer recharge as long as the water they pull is within their legal allocation.
  - Unclear what the long-term effects of more aggressive recapture might be on the aquifer.
- The burden of proof for water rights diversion applications is that there is reason to believe that the diversion can occur without impairment. This places the burden on the existing water rights holders to prove potential impairment if the application is approved.
  - DWR looks for hydrologic connections in evaluating new diversion requests.
    - Since the area hydrology is complex, DWR uses a rule of thumb that paper water rights south of the Virgin River/Sand Hollow can't be transferred to Leeds.

#### References

[DWR Groundwater Management Plan page](#)

#### Recommended technical docs on local hydrology

[Technical Publication No. 106](#), Seepage Study of the Virgin River from Ash Creek to Harrisburg Dome, Washington County, Utah; Utah Department of Natural Resources; 1995.

[Technical Publication No. 116](#), Geohydrology and numerical simulation of ground-water flow in the Central Virgin River basin of Iron and Washington Counties, Utah; Utah Department of Natural Resources; 2000.

[Report of Investigation 272](#), Regional Groundwater Flow and Water Quality in the Virgin River Basin and Surrounding Areas, Utah and Arizona. Utah Department of Natural Resources; 2013.