



DATE/TIME/LOCATION:	January 15, 2025	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), Michelle Peot (M) Absent: Larry Bruley (M) Staff: Layna Larsen (Corp Secretary), Mark Osmer (Field Operations Mgr) Shareholders: Susan Savage, Dan Brown Guest: Riley Vane (Jones & DeMille)		

Agenda Topics

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

CALL TO ORDER	Don Fawson - Appreciate everybody being here. We will start with a Roll Call on my left.
ROLL CALL	PRESENT: Brant Jones, Don Fawson, Michelle Peot, Doris McNally Don Fawson - I want to excuse Larry, he had other obligations

II. PRAYER [Don Fawson]

III. PLEDGE [Don Fawson]

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

DISCUSSION	<p>Don Fawson - Ok, you have a copy of the agenda in front of you, I will take a motion to accept the agenda and to approve last month's meeting minutes. Before we do that Layna will you tell us where the postings were?</p> <p>Layna Larsen - It was Posted at the Post Office inside and out, online, and on our office Door.</p> <p>Don Fawson - Thank you for that and thank you Layna for taking care of that. Alright I will accept a motion on the consent agenda which is the last meeting minutes and the agenda for tonight.</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: Brant Jones SECOND: Doris McNally MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Brant Jones SECOND: Doris McNally MOTION APPROVED: Unanimously

V. DECLARATION OF ABSTENTIONS OR CONFLICTS [Don Fawson]

DISCUSSION	DECLARATION OF ANY CONFLICT-OF-INTEREST
Don Fawson – Any conflict of interest?	
CONFLICT	Brant Jones, Don Fawson, Michelle Peot, Doris McNally – All stated “No conflict”

VI. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	OAK GROVE BRIDGE
<p>Don Fawson - I just wanted to start off by saying that the Oak Grove bridge proposal we talked about last month and discussed was submitted to the office along with the applicable code. Doris, I guess we got that.</p> <p>Doris McNally - Yes. On the Oak Grove bridge, has there been any progress?</p> <p>Don Fawson - Yes, I just went up to the bridge site this evening and talked to the construction crew. They do have the wing walls in on the West side complete and I asked him how soon they would have the East side done. He said he was looking at about 3 weeks. I'll talk to Riley and the foreman because they had brought up the idea that as soon as they East wingwall done, then they were going to start on our pipeline, before they complete the top. I told him that we needed access to the West side near our hydrant so Mark could install a valve. So, we should have all that infrastructure done so they can test it, right?</p> <p>Mark Osmer - Yeah, we need to test it.</p> <p>Don Fawson - If the flexible joints are not going to arrive for six weeks then that is going to create a scheduling problem.</p> <p>Michelle Peot - Did Rocky Mountain Power remediate that power line? Because since they discovered that they said that was obviously priority.</p> <p>Don Fawson - He said the power company is coming tomorrow to take care of it.</p> <p>Michelle Peot - That could introduce potential further delays.</p> <p>Don Fawson - OK, Mark, if you can check with Scholzen's on that.</p> <p>Mark Osmer - I'll see how far they are out.</p> <p>Don Fawson - See if we can hurry that up.</p>	

DISCUSSION	SILVER EAGLE ESTATES
<p>Don Fawson – Doris, can you give us an update on the working agreement status for SEE (Silver Eagle Estates). Did you work with Peter Gessel, our attorney, to decide how the funding was to be done?</p> <p>Doris McNally - Yes, I have reached out to Peter, and he is verifying one thing. The question is - do we have to have access to be able to get the monies out of the account that's opened. So, he said he would be sending me an e-mail this evening. I've been in contact with Johnny Hilfiker, the contractor, and he knows we're working on it.</p>	

Don Fawson - Do they seem positive about moving forward?

Doris McNally - Absolutely.

Don Fawson - Ok, very good, appreciate that. For those of you who may not know, this is the agreement that we have with Silver Eagle Estates to be able to do our portion of the infrastructure work which will allow them to hook onto our system and proceed with their part their infrastructure.

DISCUSSION

ACCIDENT ON OAK GROVE RD

Don Fawson - There was an automobile accident up the Canyon. A car ran off the road and hit the LWC Weir and dislodged it, along with some of our pipeline. Mark, you worked with LWC on any concerns they had. And then you were able to get our pipeline connected back up? Michelle, did you help with the police report, or did they do that on their own?

Michelle Peot - The police report they did on their own, I just did the incident report.

Don Fawson - OK, well it turned out really well.

Michelle Peot - We only got a two-page report back from the police station and it was just a diagram of where the vehicle wrecked and then some simplified information. So, I wrote that incident report.

Don Fawson - Well, they need to hire you because I thought for a police report that was above and beyond.

Michelle Peot - So the only thing we are missing is if anybody else has any volunteer hours they wanted documented because Doris had an insurance claim to be done. Did you want to add any hours on the incident report for you.

Doris McNally - No, I just added the ones we talked about. I already submitted the insurance claim. I added my hour.

Michelle Peot - That's the only thing I needed to finish and then we can finalize that. Unless Dan (Brown), why don't you and Mark take a final look at it and see if you want to add anything because we do have a section in there about: lessons learned and that is probably the most important piece for us to document what did we learned from the incident? I mean; what did we do well, what didn't go well, and then how can we improve in the future. Given what happened I think we did a remarkable job and some of it was by luck that we just happened to be there, the same day that all of that went down. So, there wasn't a big delay in Detection, there was never any disruption of service, no water quality issues, and we managed to come across the guy so we got all of his information.

Don Fawson - Very good. Thank you.

DISCUSSION

ROOTS IN SPRING

Don Fawson - So, I think one of the reasons that you were going up there was to do some root removal that day. And so how did that go? Did you actually do that that day, or you did not?

Mark Osmer - We did, yeah.

Don Fawson - And what did you find?

Mark Osmer - Just a few roots

Don Fawson - It wasn't bad then.

Mark Osmer - It was low, so I didn't have to stand in the water or do anything. I could just hang on the ladder pull the roots, put them in the bucket, and get rid of them.

Michelle Peot - And they were the thickness of a grassroots. It wasn't like big tree roots or anything.

Don Fawson - Appreciate you guys doing that.

Michelle Peot - I should probably add for lessons learned we talked about having some E coli or coliform bacteria test kits on hand, they're not official, but it would allow us to at least do a quick test over a weekend.

Mark Osmer - For example, the accident happened on New Year's Eve, a Tuesday. We worked all New Year's Day, then we worked the next day. The labs are closed on Friday, so we actually couldn't get any test results in until Monday. But all our test results that we took in, all the investigative ones passed and the regular monthly one passed. So, we didn't have any compromise, but it would be nice to have the ability for a quick test.

Michelle Peot - Yeah. Because then we could have said we really need to shut down or whatever.

Don Fawson - So, when you do that, do you like rinse your hands with Clorox or anything before you reach down in there and grab the roots.

Mark Osmer - No, I just pulled them out with gloves.

Don Fawson - I think we need to take whatever precautions we can.

Mark Osmer - We didn't put that back in the system for maybe four or five days, it was just running out.

Don Fawson - I know that there have been some springs contaminated and I don't know from what source, but they had a real hard time getting them cleaned up. Is that true Riley.

Riley Vane - Yeah it can be.

Mark Osmer - Well, we when we pulled the roots, the water was being diverted, going into the Creek.

Dan Brown - Yeah, when we did that, everything was diverting into the Creek. Nothing was going into the system. Plus, Mark shocked it with chlorine and that continued to run after the repairs for quite some time before it was routed back into the tanks.

Michelle Peot - And to be honest, at that point the line had been open for probably, 5 hours or something.

Don Fawson - Yeah, I'm not concerned about what happened below the line. What I'm concerned about is in the actual Spring itself. And I don't know, what kind of things can grow in the Spring. I'm not trying to be critical. I'm just trying to say that I think that when we work in there that we chlorinate, your hands or anything before you reached down into the Spring.

Mark Osmer - Yeah, I put some chlorine on.

Don Fawson - I think just a bucket of water or something like that to reach your hands in before you put them down in there. I think it's just good practice.

Michelle Peot - The other thing that we identified that we might want to think about is if we had metering on things that we could remotely detect, because then you could even set up alerts on it if we saw a major drop. I don't know what the cost of that is, but it is something that I think we might want to think about for the future.

DISCUSSION	EASEMENT WITH TRIPLE S PROPERTIES
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Don Fawson - All right. I have talked to the Stokers, and I'll be meeting with them this next week on this easement issue and they sounded, like they are willing to talk and see if we can resolve this. I would like someone to be there with me. Brant I'm just wondering, do you have a little time about 6:00 on Tuesday night you can slip up to the office?

Brant Jones - I can probably make that happen. Typically, no but I can probably make some adjustments.

Don Fawson - Michelle, would you have time next Tuesday?

Michelle Peot - I can go next Tuesday, 6:00 at the office.

Don Fawson - Yes, and I have talked to Jennifer Lefler, our Notary, and she will be available, I can give her a call 10 minutes before we think we are done, and she'll come up and notarize that.

Michelle Peot - Can I get any background information on that so I can be informed?

Don Fawson - Yes, we can talk about that.

DISCUSSION	COUNTY FIRE HYDRANTS
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Don Fawson - I also tried to get ahold of Kress Staheli, I tried yesterday to get hold of him, and I'll continue to try to get ahold of him about that Washington County Water Conservancy minutes negative comments.

Layna Larsen - What's the issue?

Don Fawson - The negative comments that were made during their regular board meeting relative to LDWA. I also put in a formal request or a suggestion to Zach Renstrom and Brock Belnap that we would be willing to take over the hydrant basic maintenance on the three WCWCD Hydrants on Main Street, in other words, just making sure that the caps and so forth worked. And also do the flow testing on their hydrants. We can do it at the same time we are doing ours because they have thousands of them to deal with in the county and we would be able to give them that information and that will allow us to put it into our record system as well. So, I also asked him if we could paint those hydrants Yellow so that it differentiates those from the rest of them in Town.

Michelle Peot - Is that something that we would then get compensated for from an operations perspective.

Don Fawson - No. The whole point is that we can make sure it's done. And then we get the data. The other thing is that they put those hydrants in at a really big expense.

Michelle Peot - Yeah, but we are paying property taxes for them to do that. So, it would be nice if we at least got reimbursed for the operation.

Don Fawson - I think we are nickel and diming that stuff and I just don't think it is worth it. I don't know if they will even let us do it, so we'll see if it works out. All right, Mark, we will go ahead with your report.

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS AND MAINTENANCE [Mark Osmer]
	<p>Mark Osmer - We past our BacT test again this month.</p> <p>I changed a few meters out that weren't working. We've changed some ERT's (radio read devices) and I sent all the info over to Layna. And then regular maintenance on the system.</p> <p>We already discussed what happened up at the Oak Grove Spring.</p>

DISCUSSION	ACCIDENT REPAIRS [Mark Osmer]
	<p>Mark Osmer - We installed about 80 ft of 8" C900 pipe at the top of the Spring because where the car hit the weir, he damaged some of the pipe. The pipe was going round the bend. So, we curved our new pipe and then when we got to a straight section, we joined it up there and we also replaced the valve, and then we put 6" pipe under the road for LWC, the 4" that was there was all broken.</p> <p>Don Fawson - Does the LWC feel OK about that, Brant?</p> <p>Brant Jones - So, the only thing that the LWC board kind of backpedaled on is that that's about the only place in the system that ran on any kind of a percentage division. So, when the flow of the water goes up and down in the spring or in the Weir tanks, there's just a steady percentage division on that. But I told them that with the pipes and the meters that you can still do that.</p> <p>Don Fawson - You know, I always thought the same thing, but it's not true because the flow through the Spring remains fairly static. The biggest difference in the flow was in the Creek itself. So as the Creek went down, then the percentage of the amount that we should be taking has to reduce. In order for that to happen, if you've got that static thing in there because the spring is static, and the creek is going down. You have to constantly be moving the weir plate back and forth and you have to do it with a wrench. And it just doesn't make any sense, it is not practical. The metering is actually the best way to do it.</p> <p>Mark Osmer - The way we do it now is pretty good, because you look at the stream, we work it out and we do it by GPM (gallons per minute), which is better for LWC as well.</p> <p>Brant Jones - I think it is more sanitary too.</p> <p>Mark Osmer - Yeah, it is. Especially with that weir lid. The more lids and openings you have, the more susceptible you are to contamination.</p> <p>Brant Jones - I think they were OK with it. That's the initial response from them.</p> <p>Mark Osmer - We could still open up that Valve and dump Spring Water straight into the Creek up there as well.</p> <p>Don Fawson - Anyway, I think based on that Brant, I looked at it the way you did originally, but as I got thinking about it more mathematically it just didn't work out. It was like we would actually be cheating you.</p>

DISCUSSION	UPCOMING PROJECTS [Don Fawson]
	<p>Don Fawson - OK, so we just have some projects that we need to be looking at. One is the Silver Meadows hydrant realignment.</p>

Mark Osmer - We were going to do that but then we had the Oak Grove, I figure that was more important.

Don Fawson - Then we have the Oak Grove bridge valve install and that has to wait until the contractor can clear out their equipment.

Mark Osmer - I will find out from Scholzen's on the estimated time with those flexible fitting.

Don Fawson - Ok, the Silver Eagle Estates project that's going to involve installing 4 valves initially plus the T and so that could go fairly rapidly once they get their act together.

Mark Osmer - Even if it is still low pressure, we could get the valve in and then we've got a few weeks.

Don Fawson - We can then work on some other projects because they are going to be a while working on theirs. And then the North Main Air Vac, did you get that figured out? What we are doing up here by the Post Office?

Mark Osmer - Yeah well, I was going to do that, but the Oak Grove thing happened. So, I think that Air Vac was coming across the road. So, I think we can just get rid of that altogether. But I will know when I dig it up and finalize it.

Don Fawson - Is that something you are going to work on pretty quickly?

Mark Osmer - Yeah, next week, to get that out of UDOT easement.

DISCUSSION

STORAGE TANK [Don Fawson]

Don Fawson - OK. One of the other things that I've been concerned about is a door on the upper section of that storage tank. Right now, it's absolutely just a fire hazard. Do you know who cut that roll up door that is in there.

Mark Osmer - I think it was Quick Cuts from Saint George, or Quick Concrete or something.

Don Fawson - OK, do you have any contacts there?

Mark Osmer - No.

Don Fawson - I'll do a little research on that and see what it cost to get that cut in there. But we've got that upstairs, which is an all wooden structure in the tank. And if someone were up there and something caught fire or whatever down below, they wouldn't be able to get out.

Dan Brown - This is the Cement storage tank, right?

Don Fawson - Yes. I think it would be easy just to cut a hole in there, put a steel framed door in there and just keep it locked with a crash bar on the inside. Just like they have on this building. Anybody have any issues with us at least getting some information on that?

Doris McNally - Mark, if you can see if you can squirrel away one of the cameras out of the system so you can put a camera on that back door.

Mark Osmer - OK. We have plenty.

Doris McNally - I know you do. We should call Mark and get him in to get it set up.

Don Fawson - All right, Doris, we'll turn the time to you.

c) TREASURER'S REPORT [Doris McNally]

DISCUSSION | **ANNOUNCEMENTS/BILLING/COMMUNICATION** [Doris McNally]

Doris McNally - **BILLING** for December was completed/mailed December 31st.

NEWSDRIPS

December invoices had the announcement regarding our Annual Shareholder meeting. And for January's invoices we will be sending out a reminder notice regarding the Annual Shareholder meeting.

VOTE | **MOTION TO ACCEPT ARTICLE FOR NEXT INVOICE: Doris McNally | SECOND: Michelle Peot**
MOTION APPROVED: Unanimously

DISCUSSION | **FINANCE** [Doris McNally]

PAYCLIX

In December we had 97 shareholders pay their bills using this payment option. The total amount collected through PayClix was \$7,158.14. 54% paid via credit cards & 56% via Credit Cards. YTD we have collected \$95,011.27 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
Sep-24	53	\$6,328.76	44	\$4,764.55	97	\$11,093.31
Oct-24	53	\$6,498.28	48	\$4,170.78	101	\$10,669.06
Nov-24	51	\$5,759.21	46	\$4,839.14	97	\$10,598.35
Dec-24	49	\$4,010.49	48	\$3,147.65	97	\$7,158.14
TOTAL	618	\$57,149.94	526	\$37,861.33	1144	\$95,011.27


FINANCE [For the Month of DECEMBER 2024]




TOTAL INCOME		
ACCT	BALANCE	% to TOTAL
Ord. OI:	\$30,315.98	88.8%
Other OI:	\$3,826.09	11.2%
	\$34,142.07	100.0%

TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL
Ord. Field OE:	\$5,254.96	25.7%
Ord. Admin OE:	\$1,811.71	8.9%
Professional OE:	\$1,756.50	8.6%
Labor Expenses:	\$11,632.81	56.9%
	\$20,455.98	100.0%

FINANCE [For Year-End 2024]

	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. OI:	\$354,540.72	90.9%	Ord. Field OE:	\$95,694.55	38.2%
	Other OI:	\$35,453.98	9.1%	Ord. Admin OE:	\$23,020.17	9.2%
		\$389,994.70	100.0%	Professional OE:	\$23,213.00	9.3%
				Labor Expenses:	\$108,755.26	43.4%
					\$250,682.98	100.0%

The LDWA's Banking Accounts [as of 01/04/2024]

	CHECKING ACCOUNTS			SAVINGS ACCOUNTS		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	1 - Checking	\$116,530.45	44.2%	1 - Emergency Reserve	\$339,657.59	63.1%
	2 - Business Checking	\$147,216.08	55.8%	2 - #3F1892 Bond RSRV	\$108,612.62	20.2%
		\$263,746.53	100.0%	3 - Impact Fee Fund	\$90,082.49	16.7%
					\$538,352.70	100.0%

VOTE | MOTION TO ACCEPT REPORT AS PRESENTED: Doris McNally | SECOND: Michelle Peot
MOTION APPROVED: Unanimously

DISCUSSION | **IMPACT FEE**

Doris McNally - Just as a side note on the impact fee funds, I have heard back from Bowen Collins on a quotation to be able to do an impact fee analysis and another. Promises, to say the least, the cost of it is higher than I expected. I'll send that out to the board to look at, but I believe we need to look at other alternatives at this time.

DISCUSSION | **INSURANCE CLAIM :: PROGRESSIVE [Weir Incident]** [Doris McNally]

Doris McNally - As reported earlier during Mark's Field Report, and thanks to Michelle for generating an incident report that captured the event, I prepared an insurance claim submission to Progressive. The claim included: the Sheriff Incident Report, details on parties involved (Complainant, Insured, Law Enforcement), timeline, images from site, & financial impact information.

Michelle did an amazing job on the report and that report now becomes something that we can use for a number of years down the line to see what happened. Working with Mark, I put together the financial analysis for the losses and I've already contacted the insurance company and started the claim process. Just so you know, and this is kind of education for everybody my husband used to be an insurance agent. The minute an accident happens it is in your best interest to be the first one to call. So, we called five days later, the person who had the accident still had not called. They had to call him. So, we are on record, and everything seems to be fine. It is Progressive Insurance, which usually just handles cars. So, they have escalated me to a different group so I do not know what will be covered, but I have put everything in, and I actually calculated this using holiday numbers for hours because it was New Year's Day that this work was done. So, once again, to everybody who's involved, thank you, Dan, Mark, Michelle, Brant, Don, you were there, thank you everybody. When you look at other systems and their response time, it's amazing how this little engine can, and we did a good job there. So, I think we need to give ourselves a pat on the back every once in a while. So, the insurance claim is in.

DISCUSSION | **WEBSITE CONTENT** [Doris McNally]

Doris McNally - Based on our last regular board meeting discussion, the below two new pages for our LDWA website. If you remember Michelle proposed adding some content to the website to educate potential volunteers. Content was developed and was shared with the Board 01/03/2025.

What are the Responsibilities of your Water Utility’s Board of Directors?

Menu: Under the About Us Tab at top of page (Left Side)

Link: <https://ldwacorp.org/responsibilities-of-your-water-board/>

Understanding the LDWA’s Board of Directors Elections:

Menu: Under the ByLaws | Policies | State Codes Tab, then under the pulldown menu ByLaws.

Link: <https://ldwacorp.org/understanding-elections/>

DISCUSSION	DDW ANNUAL USAGE REPORT [Doris McNally]
<p>Doris McNally – On a yearly basis all water systems are required to share their Water Supply Use Report to the Division of Drinking Water. We are required to report all (residential, commercial, institutional, and industrial) data. I have once again compiled that data and have shared it with the Board for Review any questions the Board may have before I submit it formally. This data is built through the consolidation of all meter reading captured in our system for a calendar year. The report was shared with the Board on 01/02/2025 and is based on 2024 usage and the census of count of residents.</p> <p>Now typically, I prepare it in January, I send in a draft version, Mark and I meet with the people down at the February, Rural Water Conference in St. George and review the data, and then if there's any adjustments that need to happen, any misunderstandings of how the information is presented, we make the adjustments and then they are in by the deadline, which is March 31st.</p> <p>Don Fawson - Thank you so much Doris that is a lot of work.</p>	
VOTE	<p>MOTION TO ACCEPT THE DATA COMPILED FOR SUBMISSION TO THE DWR RE THE LDWA’S 2024 USAGE & POSTING ON LDWA WEBSITE: Doris McNally SECOND: Michelle Peot</p> <p>MOTION APPROVED: Unanimously</p>

DISCUSSION	BUDGET - [Doris McNally]
<p>Doris McNally - So, please take a look at the report and what you have here. I don't know how many people really look at it. This is our expenses for every single month for the entire calendar year. It has the budget that we had adopted, and it has the variance to the budget. For example, as you will see, we budgeted for the calendar year in ordinary operating income which is active taps, standby taps and whatever: \$343,200 and it came in at \$354,000. So, we brought in more revenue than we had budgeted for. And if you go down you can look at the field expenses and you can look at other things. So, Don, there is a category, the third line down which is leases just for record, earlier in the year what happened was we were just capturing the Infowest lease, but now we have a secondary lease coming in and you'll see that started coming in September. So, I have added those two in under leases and just dropped the word Infowest. So, we have two leases now coming in listed as “Rentals.”</p> <p>Then on the other pages, this one will be the actual sheet that we hand out to the shareholders when they come to the Annual Shareholder’s Meeting on February 4th, which will have the actual budget and projection for the budget. And then look at what you have on the last page. I like to look at the years prior. And I think Don, before the meeting, you might want to start looking at what the budgets will be for field expenses. But what I did, I captured from 2019 up to 2024 all the expenses. So, we could take a look at the changes. The big change is really in 2023 when we implemented the tier pricing structure. So, you'll see the revenue number changed. And also, the expense numbers since we started our projects.</p> <p>Riley, if we can somehow, please get an update on the projects before the Annual Meeting. We were doing them every six months and getting them on the website and just being able to have them. We haven't done one since last January so I would really like to try to get one because I think that adds to the transparency that</p>	

we have to our shareholders. And of course, if we wanted to print something out, at least we have some time between now and the next meeting to do that.

Don Fawson - Did we have a projection or maybe this is it, for the next budget year?

Doris McNally - No, I didn't do one for field expenses. I did one for office expenses. I didn't feel the field was something I should take on myself. So, I think that's something we need to sit down and talk about. And aside from the four projects that we have, and one is now complete, we really should start thinking about putting at least a 10-year plan together and think about what other expenses we are going to have coming up and start to budget against them. It is not just the projects that Riley is working on. For example; if we have an indication of having to put a PRV in or having to move a PRV, we should start budgeting for that stuff now and at least recognizing it. Because I would say that this year was the year of unexpected expenses and that causes overages. So, if we can kind of put our thinking caps on and be a little bit more strategic in laying out the Plans for future years, I think that would be good.

Michelle Peot - And I would include any like fire remediation stuff in that bucket too.

Don Fawson - So we need to have a work meeting then.

Doris McNally - I think it best. So, from the annual meeting perspective, I've already prepared the sign-up sheets, already prepared the budget, and the ballot sheets and Layna has those, and we just have to print them out. It would be nice to have an update. I mean last year I did a flyer and at least that was available. We'll have to print out the budgets, but before we print out the expense sheets, we really need to lock down what the budgets are going to be. So, if we can do that, that would be the best thing and it might be just a separate meeting, Don, and then a brief review or something, but it's going to have to happen because the time is clicking now.

Don Fawson - I know it is, appreciate that, Doris. So, two things I would like to make sure that we have called out. And the one we need to be gathering together for the sake of the loan. So, two budget categories, 1 is the amount we need to be putting aside every year for the loan and I don't know exactly what that was called, but we do need to have that specifically identified in there. And then we also need to have the 5% per year that we are putting into a specific category for replacement.

Doris McNally - And we reviewed that recently, Jennifer, Layna and I. And so, we are very comfortable that things are in place, but we'll make you comfortable too because that's important.

d) BOARD MEMBER REPORTS

DISCUSSION

LWC [Brant Jones]

Leak in irrigation line

Don Fawson - Yeah. Appreciate it. Brant, do you have anything on the agreement update with LWC?

Brant Jones - I don't have anything on the agreement. Mark got a complaint (LWC issue) on the

Mark Osmer - Yeah, on the back of the house, on Silver Reef Rd.

Brant Jones - Is it running or just seeping?

Mark Osmer - Just seeping, I didn't want to touch it and break it.

Brant Jones - So, we do need to identify that. And part of the challenge right now is we are trying to keep as much water in there. Was there any water in the stream when you went up there?

Don Fawson - Yeah, there is a little bit, but not much.

Brant Jones - So, our biggest challenge with the irrigation company has been keeping that system clean, if its clean it seems to run fine, but as soon as the wind blows, and the leaves fall it plugs our diversion and then the Creek flows over it Susan Savage and I have been going up there trying to keep an eye on it and keep it flowing. But that does kind of fill all those pipes, and it will be kind of hard to go in and try to fix that as long as the Forest Service is working on it. But if there is a time when we are dealing with the Forest Service, that they say, *'you know, we can have water in the stream and we can continue to work'*, That would be good to know.

Don Fawson - You know, the only thing you need to do is just go up and talk with the contractor and I think he'd be willing to work that out. They were expecting that water to be going down through there all the time anyway.

Brant Jones - Maybe it's not a benefit for them to have it out.

Don Fawson - No, I think it is. I mean it is just less mucking around.

Mark Osmer - Less they have to deal with.

Michelle Peot - Yeah, they have the high voltage lines over their heads, too.

Brant Jones - We have been trying to keep it out. As soon as that water is able to go back into the stream, then we can go and fix those other pipes. Unless they're running.

Don Fawson - So, is this an irrigation line that is having a problem.

Mark Osmer - Yeah. It's the Air Vac on the irrigation line. I don't think it is fully charged up. I don't know how much pressure you have there.

Brant Jones - Well, there might be more than normal right now because all that water.

Mark Osmer - I will run out tomorrow and check it.

Brant Jones - Maybe I can get up there with you tomorrow and see where it is?

Mark Osmer - OK yeah, you can take a look at it.

Irrigation Water for Fire Fighting

Brant Jones - And then the text thread that was talking about the water supplies for firefighting and having the irrigation company on board to help with water for fighting fires. Typically, what the irrigation company has done is use ponds which they bring in helicopters and dip out of ponds. My question I guess would be is the irrigation water clean enough to run through the pumps and stuff, would they want to use that to put in hydrant.

Don Fawson - We've talked about that and probably not because it can damage fire pumps. You know, the only thing you could do is like you said is to put it into a portable tank or pond. There has to be some settling

and then draw water off the top. I mean a pond is actually a better idea. So, I think that we've abandoned that train of thought about putting a hydrant or anything on LWC lines.

Brant Jones - The fire department seemed to know where all the ponds are, because they call a meeting if they need something. The irrigation company is always like, absolutely, take what you can, we will fill the ponds as quick as we can, you know, put all the water wherever it's easiest for the Helicopter to be able to get into.

Michelle Peot - Kohl has offered to work with us on this strategy so that we can ask those questions to him as well.

LWC/LDWA Agreement

Don Fawson - OK, going back to the agreement. I sent out a copy of what Peter had sent, and also what Tom Beach had sent. And I sat down and went through both of them side by side and there isn't a lot of difference. There's some updated wording here and there, but it's pretty much the same. On item F and you don't have a copy of this in front of you, but it was talking about second class water rights and whatnot. If you remember, I went through and did some mathematical calculations and thought we had some issues on accuracy. But Peter had used a much more refined cfs to gpm conversion factor in Multiplying using a 448.83117 conversion factor or something like that instead of just the 483.83 I had used. Even so, there was one discrepancy and that turned out to be incorrect. When I pointed that out to him, he went back and said yeah, that's a typo. So, we got that straightened out. There are a couple of new things in the agreement that really don't change anything. They actually just clarify things that I think that we've all agreed upon. So, probably what we need to do is just have a work meeting. I think that Tom had suggested, I think you, Brant, he, and I and whoever on the Board wants to be there along with Peter and sit down and actually go through and see if we can't iron out the little details holding up this agreement. I think that it is probably the best way forward to get this done. I really would like to get it done before the next meeting, if we could possibly do that. I think we can, I will set up a time and anybody that wants to join in, we can meet at the office and go through that.

Doris McNally - Is the work session with Peter and with Tom, or is the work session for us.

Don Fawson - No it would be with Peter and Tom, a couple of LWC Board Members, and ours, so that we all get on the same sheet of music and bring it to an agreeable conclusion. I probably ought to send out some things that I have found that I think we should pay attention to, so we don't waste a lot of time going through that. Does that sound OK?

Collective - Yeah, that's good. OK.

DISCUSSION

NEW PEJECTS [Riley Vane]

Don Fawson - Riley, can we turn some time to you to talk quickly about the capacity study, the permits, and then the projects.

IMPACT FEES

Riley Vane - Thanks. Before I dive into those items, I do want to briefly comment on some of the things that have been said. The 20-year plan strongly recommended, the capacity study that we've done is a component of that water master plan, but the next part is: we note deficiencies if there are any. But what are some replacement costs and in fact ongoing DDW funded projects will require an asset management plan and in that all future funded projects will be required to identify pipelines, their age, when the expecting replacement times are, and all that will go into your water master plan as well.

Doris McNally - And in a lot of systems they are incorporated right into their GIS system.

Riley Vane - Yeah. And you have the tools to do that. We can plug in those ages and that will really go a long way in mapping out what lines need to be replaced and when. Concerning impact fees, Doris, I sent you a contact Cody Deeter with EFG Consulting. I can't recommend him highly enough. Best prices I've seen and does a great job and specializes in this type of work.

Doris McNally - If you can send me any estimates that you've gotten from people. It's my understanding it is the facilities plan and impact fee. But, because of the size of our system, we do not have to actually do a facilities plan, but you need a facilities plan to be able to do a proper impact fee analysis.

Riley Vane - Right, I recommend anybody in most systems to plan anywhere between \$5000 to \$7000 per. So, you are looking \$10,000 to \$15,000 for the total impact fee analysis?

Don Fawson - I think one of the things that I'd like to do, basically we want to get the job done, but it doesn't need to be fancy. So, can Peter give us kind of some guidelines that we need to look at in order to take care of this without having to have an actual study done?

Michelle Peot - Or can we talk to Rural Water, for free.

Riley Vane - Rural Water, might be able to help you out with some of that. I'd say most of the time you're going to see engineering fees are a little bit higher from a specialist like I'm recommending in Cody. I think for your size of system, your cost would be on the lower end of that. First, I would talk to him and get an idea of what his fees are going to be. He is really the only specialist that I'm aware of other than Engineering Companies and we use him quite frequently. So, I would try to go that route first.

Dan Fawson - So, question on that. You know, for years we would just try to make a good decision relative to what the guidelines are and then go ahead and use the money. Has anyone ever been sued because of that?

Riley Vane - I believe so, yeah. It comes up from time to time. I am aware of a few cases where developers have gone after a water system, usually a municipality for unfair impact fee analysis and it is because they didn't go through the proper channels.

Doris McNally - The issue Don, may not be how we use the money, it's how we are collecting it, and how we are categorizing it. And that is where I think the issue is. So, the council that we need not only the report, but also being able to develop a relationship with somebody who can give us that information. And that's not Peter.

Don Fawson - Something like this, there has to be a list that says you can collect it for this, this and this. There has to be a list where you can look at the list and say, fine, we're doing that.

Michelle Peot - Yeah, that is an auditing function not an Engineering function.

Don Fawson - Well, what I'm saying is it doesn't take somebody with a certificate to be able to look at that and say, hey, this is what you need to do.

Riley Vane - No, it doesn't. But you do want someone who specializes in the financial side like Doris is saying, and this is what he does, it is energy, financing, governmental, consulting, I'd recommend, but I would also recommend talking to Rural Water and seeing what they have to say.

Doris McNally - So, I will add that to my list when I meet them during the conference.

CAPACITY STUDY

Riley Vane - Concerning the capacity study, if you recall this effort was going to be reserved until after we had a Well in order to get a real accurate idea of what the capacity really is. So, that was accelerated, I think, for good reason. So, what you reviewed and what we submitted (Don't have it in front of me) is the five-point capacity study that goes over the water rights, the storage, the distribution, and the sources. And this is now updated according to DDW's new rules, which are based on usage, not on fixed values, which is what it used to be. The short of the study is that we demonstrated that there is an anticipated need for another source. We already knew that, that's why we got funding. With expected yield in the source and New Well we don't see any deficiency over the next planning period, which I believe was about 20 years and that is based on the infill numbers that Doris went through and provided, just the infill within the Town and those additional connections. So, I think your capacity shows you're ahead of the curve on most everything. With this funding to get the well up and running, there's no expected need at least from those five critical points; source, storage, distribution, water rights and that.

Don Fawson - So the only challenge here, I know we've been trying to get an agreement with the Town as far as what we'll do and what we won't do in our wheelhouse and whatnot. But none of that is a sure thing until the well is in and actually pumped and certified. And so, we are just kind of sitting in limbo right now. Waiting on that.

BLM / FOREST SERVICE PERMITS

Riley Vane - Yeah. And that brings you up to the next agenda item, the BLM and the Forestry permits. So, we have had some good conversations. I talked to Susan with BLM yesterday and a few different times and she's reassured me that that's been distributed to her internal checklist. Those individuals are required to look over the biological, archaeological, all the different assets, at the well site. We have updated our plan to include all those items that the Tribe desire to see, and that archaeologist's desire to see. So, we believe we are all talking the same language there when it comes to the requirements up at the Well site. Susan said around 1st of February, that should get sent over if not sooner. So, I'm expecting the fully signed and executed updated lease agreement about mid-February. That will give us the permission to go ahead and start drilling and with the other components of the projects on the BLM portion. On the Forestry side, it is a little bit more nebulous. They haven't identified who their new specialist is to us. We have tried to reach out and contact them. I think that's happening if not today, tomorrow, you know sometime like that they'll be talking to Jenna. But they have requested the updated plans which we are just about to finalized. We have to make some tweaks based on the updates on Main St. and things like that. So, we do have a full finalized set that should be ready, #1 - to bid for the design assistant contractor and then #2 - to pass on to the permitting agencies.

Don Fawson - OK. So, February we could we have the BLM permit to go ahead and do the lease and that allows us to start drilling.

Riley Vane - Yeah, that's what I'm expecting, about Mid-February. It is a long time coming, but I think mid-February we can start looking very seriously at putting the drilling out to bid.

Layna Larsen - Do you have to have both the Forest Service and the BLM permit?

Riley Vane - It depends on how we break up the contract. The drilling is a specialized construction method, we want to keep that contract separate. However, everything else installing the pipeline, putting the New Well House, all of that we wanted to leave under one contract. Savings basically the bigger the contract, we can optimize the savings for mobilization. So that contract, yes, that involves Forestry and BLM. The Well drilling by itself does not, that is just BLM.

Don Fawson - Any other questions on that piece? OK, then I want to go on to the generator. You know one of the things that we found is - we don't have looping connectivity with Rocky Mountain Power. Do you ever get involved with sending out requests for that or something we could do, I guess we can send a letter to them.

Riley Vane - We can advise. I can tell you that they are going to expect you to pay for it and it is going to be expensive to do that.

Don Fawson - Yeah, we are not going to do that. So, we are just going to hit it from the public safety piece and maybe we should to go to the Public Service Commission and get them to deal with it. But the whole point of this is that they weren't able to supply power to our well when we had the fire at the South end of Town. Now with these California fires and everything else that they hopefully will be a little more sensitive to things like that.

Michelle Peot - We can get the fire department to help pressure.

Don Fawson - Yes, that'd be good too.

Riley Vane - I'd be really interested in looking at different FEMA funding. For such an event, I think it makes a lot of sense. The concern where you're going with the generator. I have a meeting tomorrow with Heather Pattee, She's the head of the Division of Drinking Water Project manager and basically I just want to get authorization to procure a generator so you can have it on hand and then also get authorized for the archaeologist so we can go ahead and do his additional work that's required up at the well site to pull the impacted area out of the maps of archaeological site.

Doris McNally - I'd like to ask that maybe after the annual meeting, that we could sit down in a work session and go over the well house plans because I think a lot of shifts and changes happened, and I don't know if everybody was aware of it. So, I think it would be good just to give everybody a level playing field of what's going on now.

Riley Vane - I would say that's very necessary. Let's get through the permitting and then let's have that sit down. We want to get plenty of feedback from Mark, Larry, everyone on the Oak Grove Line, and the Well House in particular, and then how we're going to scale what's going to happen on the chlorinator and everything that's in there.

Don Fawson - I appreciate you following through with that generator. My feeling is this, we don't know what the supply line is going to be as far as being able to get this thing and how long that's going to be out there, and I think that emergency power is absolutely critical. Even if we need to get it here on a skid and just throw it into a storage unit down here until it's time to install it rather than having to wait for it in a six-month time frame.

Riley Vane - Yeah, we just want to make sure that we have access to those funds, right? Not because the environmental is not complete, there's a little bit of a stonewall there until we can get through the environmental. But on procuring some specialty items like that, I think they'd be willing to do that. I just want to get the thumbs up from Heather. We already have the recommendation for the generator. We have an electrical consultant that's already provided that, so we know which one we need to get and it should be pretty quick once I get thumbs up.

Don Fawson - Appreciate it, Thank you so much Riley. Anybody else have any questions? Alright Michelle. Anything?

Michelle Peot - Yeah, there's a lot of stuff going on right now. So, at the Conservancy District meeting we learned that there is a billion-dollar project that is being kicked off for wastewater treatment. And they have so far procured \$250 million in State and Bureau of Reclamation funding for it. It is obviously very extensive, there is 60 miles of piping, etcetera. It is great from a conservation perspective I've got major concerns about aquifer recharge because the reservoirs that they're planning to put in as part of this project. Have either impermeable barriers or there will be a clay base which is not going to perk well. And so, based on my understanding from Division of Water Rights, we don't have good data on the Aquifer recharge model yet we're doing all of this water capture.

Brant Jones - Where's the reservoir?

Michelle Peot - There is Toquerville reservoir lined, Warner Valley Reservoir, there is one called Graveyard, and I've forgotten the other names, there are some down by the Ivin's area.

Riley Vane - I think there are about 19 planned in varying sizes.

Michelle Peot - He didn't list 19 in that talk, but I'm sure if you look at their twenty-year plan there is.

Brant Jones - Is it reclaiming and treatment?

Riley Vane - Yeah, it would be treated water. So, very high-grade water is the plan. It'll all be secondary sewage treatment, it'll be treated sewer water that will be stored in these reservoirs.

Michelle Peot - Yeah, and their plan is to procure or to use agricultural water for drinking and then give secondary or treated water back to farmers, so they have this grand plan.

Susan and I actually went to the Sand Hollow Groundwater Management Plan Meeting last night just to learn more about that process and then to be able to talk to some of the higher ups at the Division of Water Rights and USGS. That was very interesting from a process perspective. The first part was just going through all of the code behind the groundwater management plans, what's allowed what's not. It was a very non-threatening meeting, kind of like this is the process, this is what triggers it, and emphasizing that it's a very data-driven collaborative process. It's not something that they are just going to come down and impose upon the water rights holders. What was interesting is that I didn't realize Sand Hollow was set up as what's called a recharge reservoir. So, it was intentionally put in an area where there's permeability so that you have aquifer cycling. They put in monitoring wells around there and it has been heavily studied by USGS. So, they have been looking at, how nearby wells actually draw from the reservoir versus cycling through the aquifer. And they have done a bunch of tracer studies. But what was notable in the first part of the presentation by Division Of Water Rights (DDW), he showed this broad variance in aquifer recharge and it was like I think 2000 to 8000 acre feet per year which is an insane amount and he said the reason why that is because there have not been any focus studies on aquifer recharge in this area. That it was all extrapolated off of other stuff so, they aren't very confident in those numbers. They emphasize that they want to do some more monitoring and so this is going to be a longer-term process, but this is just kicking off saying yes, we're going to start this process. And then, just for context, the way that this process works is you do the monitoring and then they try and get agreement amongst the water rights holders to do voluntary management. If they can't get people to agree or you try it and it doesn't work, then they start curtailing from the junior water rights holders, but they try and have it be a voluntary process at first.

Brant Jones - Are any of those reservoirs planned to come here to serve Leeds area?

Michelle Peot - Do you mean for wastewater?

Brant Jones - Since we don't have any hook ups to sources.

Michelle Peot - No reservoirs that I know of are planned for here, other than Toquerville, but Leeds Town wants to sign into the Regional Water Agreement and in order for us to sign into the Regional Water Service Agreement with the Conservancy District you also have to have a wastewater treatment plan. So, sewer is coming in some form to Leeds and that's the only way that you can serve water for example, to Silver Cliffs. But we just don't know the extent of it yet and the timeline. But the way Ash Creek works, because it all depends on where the sewer lines run, Silver Cliff claims they are going to run it North into the treatment ponds up by LaVerkin. If they change their mind and it goes right down Main Street the agreement with Ash Creek is anyone within 300 feet has to go onto sewer and so then you have this kind of network you know what I mean like a spider web.

Brant Jones - How big are the ponds?

Michelle Peot - Well, he only mentioned in the reservoir, Riley you might know more about the ponds.

Riley Vane - They vary in size from like the Fire Lake size and maybe even smaller to Warner Valley, which is 50,000-acre feet. It is bigger than Sand Hollow. They vary in size and are strategically placed. The pipeline is extensive because you have to take it from your point of collection and pump it back out and so a lot of pipeline. I'm not aware of anything in the Leeds boundary of any type of a pond like that and traditionally the intent is that they are recreational. It's relatively clean water. It is a little heavier in metals than say Virgin River water. You might say it's cleaner than the Virgin River water. Yeah, predominantly recreational is what those reservoirs are going to be used for.

Brant Jones - The negative things I have read about Reclamation for sewers is hormone levels. They can't get hormones out.

Riley Vane - Hormones and Acetones are very hard to get out and heavy metals can be hard to get out as well.

Michelle Peot - There has also been some recent studies that wastewater treatment accumulates things like the P fast chemicals that now EPA offers grants to remove from your drinking water. So, it is probably something they need to watch from an accumulation standpoint. They did emphasize that there's kind of several levels of wastewater treatment and there was an advanced form. So, I think down the line that they want to use the reclaimed water for drinking water somewhere down the line at some point.

Riley Vane - I agree with Michelle, it's not currently planned. However, they are setting the stage for it.

Michelle Peot - Yeah, and they are using it like kind of an opaque term, you know, advanced, like whatever, super advanced filtrations.

Riley Vane - A reverse osmosis is what it is going to look like, and it is very expensive.

Doris McNally - And there is an Ash Creek Agreement in the hands of council at this moment, it's been passed-over two months in a row to do anything with it. But Ash Creek is looking to get approval from the Town. So, they are moving forward.

Michelle Peot - Well, it is the developers that are looking to get it.

Doris McNally - But they are moving forward, and they are doing their due diligence through Town.

Don Fawson - I heard that they can't continue to sustain these ponds down here just across the river that because of all the new influx and whatnot. So, they're planning to put what, some treatment plants or something in that area.

Riley Vane - The treatment plant is planned for that area. I don't remember how big. That's probably what's going to be the, the pump station for supplying Toquerville and I think there were some ponds located out in LaVerkin and I think probably all of that kind of on the North End of the metro area.

Don Fawson - So, is that a sewer treatment facility they are building in Confluence Park?

Michelle Peot - I think that's where Silver Cliff is going to send their wastewater.

Don Fawson - Have you seen what's going on down there?

Riley Vane - I'm unfamiliar, I've heard about it, but I am not familiar.

Don Fawson - There is a lot of construction going on.

Michelle Peot – The Conservancy District is partnering with the Glenwood Springs Hot Springs Resort Company to build a Hot Springs resort where the old Pah Tempe was.

Doris McNally - They have already got the ponds laid out.

DISCUSSION

FIRE MITIGATION [Michelle Peot]

Michelle Peot - Couple other things. Forest Service. I spoke to the Forest Service person because of the article that the public comment period is open, for Pine Valley. I am not sure what they are calling it. It is basically prescribed burns and brush clearing and I looked at the map and there were some little dots on our side of Pine Valley Mountain Range. So, I finally tracked somebody down who could answer what they were, and I was told it is the area immediately around the campground. And so, the question is, do we want to submit a public comment, which is due next week.

Don Fawson - Are you talking about fire mitigation up there?

Michelle Peot - Yeah, it is a big brush clearing and I am unclear why they would do the north side before they do the South side, because the Forest Service actually has a mandate to protect watersheds in general. And I know there's a bunch of agriculture on the north side, but at least from a population perspective, like we have the bulk of the population, but they have chosen to start on the north side. The person I spoke to at Forest Service said there is another project to address the south side and so part of that was to do all the clearing that they did on the sides of the roads, but it's much more extensive. So, the plan is to do a clear on both sides of the roads and around where the watersheds are and then they would do clearing in between those areas. So, there is a longer-term plan and I asked if it is public record if we could kind of see what the plan is so we could put it into this kind of fire strategy.

Doris McNally - I think the one thing I'd say Michelle is it would be good for them to take a look at the last few fires that have occurred up there. And a lot of them have occurred further down. For example, the ATV fire. In that instance an ATV pulled off the side of the road and caused the fire. I think Mark may have had some conversations with somebody in the Forestry about widening the roads in certain areas and, clearing those things off. It might be something we can have a conversation with them about and especially given the nature of our relationship with them on the projects.

Michelle Peot - Yeah, since this other one is in the very early stages, and I've never seen it go out for public comment. I thought in light of the California fires that we ought to do a fire strategy and I know we can't have a perfect scenario, but we can be better prepared for any wildland fires or major fires that come down to the neighborhoods. So, we should document what the Forest Service is doing, what we've done, what everybody has done so far, what is planned, and what we ought to do in the future. And if we need to procure funding, we should. But I think we ought to harden our ability to fight major fires in this area. And that includes things like making sure we can pump the wells if they preemptively cut power.

Don Fawson - Yes, I agree. I think getting the fire department to do some public awareness, and maybe even go onto the property owner's property if they are invited and help them to plan fuel mitigation. I know when we get our fire training that we were taught that if they have a tree next to the house or whatever, you may not cut that down. It doesn't matter if it takes the house with it because there have been lawsuits against fire departments that have by saved a house by cutting down cut the tree down. They homeowner claiming they didn't need to cut the tree down.

Doris McNally - We have some very amazing resources in our Town, so Carol and Ken Henson, who our neighbors of mine, this is their business. This is what they do, and they have done that for my entire HOA where they've gone around and offered their services to wildfire safety. The thing I was saying in the text thread we had going is it would be nice to invite Kohl Furley, Battalion chief HVFSSD, to the LDWA Annual Meeting and at least have him talk about the amazing things we have done already because in the last year we've offered valuable data that we never were able to offer before. At the last Town Council Meeting Kohl went out of his way to really throw a major shout out to the LDWA. And I think that the shareholders, it's good for them to see that we're collaborating, we're working together, we're doing things on their behalf. And then we talk about the strategies that we're looking into because of the fires. We are taking lessons learned from the recent California fires I imagine we may field some questions at our Annual Meeting from shareholders, since this topic is top of everyone's mind. And even the basic understanding of what's the relationship between a water company and the fire department, who owns the hydrants, who owns the water, who makes sure everything's working. Those basic pieces of information not everyone understands. So. it'd be good to be able to allow Kohl to speak from a vantage point of his Battalion Chief perspective, we could talk from the perspective of the LDWA and then start to show the collaboration; this is what we are thinking about doing. We will be putting a task force team together to look at this. I think it is perfect timing and it is being more proactive than just running a meeting and kind of saying, let's get to the elections. We're saying we're trying to build something better; we are trying to improve and learn.

Don Fawson - I think the fact you have these neighbors that are willing to do that is amazing.

Don Fawson - Danny Swenson was a firefighter down in LA. That is where he retired from.

Michelle Peot - I mean, just to be perfectly honest, at least in the scenario where you have a fire like occurred in LA with the wind situation, you can do all the remediation around your house, and it won't matter.

Don Fawson - You are right. So, there was the Redding and the Paradise, CA Fires and then there was the Sonoma Fire, and I had family in all of those areas when those things happened. And you can't stop them.

Michelle Peot - Yeah, and a lot of those were in very forested areas. But, you know, there were people in LA that we're talking, you know, people whose houses were raised to the ground after they said, you know, I thought I was safe. And not to say that we shouldn't do it, but you know, I think there's other root cause things we need to discuss with the Forest Service, like, I mean, the fact that the bulk of the fires are human caused. So, are there things we could do like Firework bans? So, other states do things like they closed the Forest Service roads during high fire season. And you could still go up there.

Doris McNally - But I think we can develop that plan privately as a team, as a strategy team. But the other message I think is important is that, for example, there's a lot of people in our community that think, Oh, there's a fire, I will just open up the fire hydrant, they don't understand water hammer, they don't understand what that does in damaging the system, that it is illegal. So, I think it's a wonderful opportunity just politely to make sure that people recognize what the status of our system is, what they can and cannot do, if they do see a fire should they contact 911 then LDWA. I mean a number of times I've seen Fires in our community, and I called Mark. Mark is one of the first people I call to give him a heads up. So, we can start to look at you know, do we need to watch different hydrants? Do we need to reach out to the fire department. That is one of the agenda items Don, I think would be a really nice asset to add into the meeting.

Don Fawson - Ok, let's take a look at that when we get to it. I just wanted everyone to know that, if you have got a situation like in LA where you have got fire hydrants being opened up all over the place, you've got 1100 fire trucks in there that are trying to access water that there's no way that you are going to be able to have water coming out of all those hydrants. So, look at Town here we're figuring a hydrant can deliver say 1100 gpm previously. Now that the 10" is here maybe we can get a little bit more, but if you open two hydrants, that doesn't drop the flow in half, but it drops it down.

Mark Osmer - If you open half a dozen you are going to suck us dry quick.

Don Fawson - Yeah. And you are supposed to have at least 20 PSI residual on all those lines otherwise, you're you risk a waterline collapse. So, with the capacity we have, if you are running, let's say two thousand gallons a minute and with our storage plus regular use that people are using, you might have maybe, 4 hours of water, something like that.

Riley Vane - At 20,000 gpm you're going to last about three to four hours.

Don Fawson - So with the pumps going at full capacity and whatever little bit we get down the Canyon from the Spring, it's still not unlimited use.

Riley Vane - It is about 600 gpm from the well plus 200 gpm from the Spring, at best you are not even at a 1000 gallon. Just doesn't make up the difference.

Brant Jones - I think it's important to separate, who can do what here. So, part of the water company is making sure the waters there, part of the education of the water company is uncomfortably what you just said, where you have people that are just like: we're going to have any kind of landscape that we want and let it go because you will fight our fires for us that they know when the fire comes through like that and hydrants are opening, there won't be water. There is not unlimited water. So, they have to do their own personal, due diligence for their own properties.

Michelle Peot - I mean, I think this should be something like say it is the Leeds plan, so it includes aspects from wildland fires, because we know they can burn downhill, especially if wind driven. So that plus LDWA, plus the Town, and the Fire District, like we all should have kind of a role in this, in education.

Brant Jones - Well, you know as well as anybody one this-15 is one of the biggest culprits of fire there is. Stuff flying off and chains dragging down the road.

Michelle Peot - Exactly, or the kids lighting off illegal fireworks and setting 12,000 acres on fire.

Don Fawson - Tires going flat and the rim dragging and sparking down the road.

Michelle Peot - Yeah, campfire not put out.

Don Fawson - Susan, did you have anything you wanted to add tonight?

VII. SHAREHOLDER COMMENTS

DISCUSSION	SHAREHOLDERS
	<p>Susan Savage - I don't think I have anything crucial, but just to inform you.</p> <p>We do have wind, by the way and we had a fire at home when I was with my family. We saw the light outside and there was a fire from the freeway, started by a dragging chain, and the fire department couldn't come because they were busy somewhere else.</p> <p>I just went to the meeting last night and Michelle, we can listen to that.</p> <p>Michelle Peot - Yeah, there's a QR code, if you scan this, you can get access to all the docs and audio recording.</p> <p>Susan Savage - OK, when we were talking with the USGS person I ask him if there were any baseline studies on the groundwater, the aquifer prior to the time that they enclosed all those streams off the mountain and have piped the water from Ash Creek and he said all there would be is the windmills they were putting here years ago. I asked about the deep Wells plan, and he said he didn't think that would ever go through. He said, somebody tried doing the well over by Gould Wash and it was salty. He said they don't really know about Pah Tempe, how deep that is and that in the Saint George area, the water would be too deep.</p> <p>And then I had about an hour-long conversation with Myron Lee from the MPO this morning, and they were going to have a meeting the first part of this month. They just had a lot of other things so he said it will be the first part of February instead. Anyways, LDWA is on that list of property owners, because you have property on the east side of the freeway, but also as you were talking tonight about Silver Eagle Estates or whatever you're doing he just said to have property owners tell us anything that they might impact them like Archaeology, or drainage, and so on and the wildlife migration movement. So, I thought you have a lot of infrastructure out there. And if you're moving your valves onto the end of Wonderland for Silver Eagle, then that would be pertinent. So, you might want to think about things on that side of the freeway too, that could be an issue for LDWA.</p> <p>Michelle Peot - I forgot to mention one thing, the DWR folks put us in touch with USGS people because we asked about how we might start monitoring in order to put pressure on them to do a ground water measurement for Leeds. And so, I'm waiting to hear back from those people and the USGS person also gave me reference to a manual for how to do those measurements, but ideally, we'd want to set things up in a way that that they could then run with that data. Hopefully we will hear back. And then we can also look at, if potentially we could get grants for it as well.</p> <p>Don Fawson - OK, I'm trying a little bit to keep this as noncomplex as possible and at the same time gathering data that can be of useful value. So, in the meantime we could do what we are doing.</p> <p>Michelle Peot - They are specifically interested in groundwater, so Wells, not surface water because they are fairly comfortable with the Leeds Creek USGS Gage.</p>

Don Fawson - I think the point is that we are interested in that data. So, anyway, I appreciate all of you taking your piece of this wheelhouse and working with it, there is a lot to do.

Upcoming Election

Don Fawson - The election is coming up. Brant are you willing to run again. OK you are, and I am and whatever the shareholders decide is fine. If that works out. OK, Anything else?

Michelle Peot - If anyone wants a copy of the audio recording, we will send it out from the grammar measure plan. It is worth listening to just for information, at least the first part.

Collection of Funds

Doris McNally - Don, I guess one of the last pieces of information we had a shareholder that we had a lien on their property. We don't need to name the individual, but the lien was due to a Theft of Water and past due bill situation. That individual has sold their house. The lien has come through and we will be receiving all the money prior to the sale.

Layna Larsen - We have received the money; we just need to release the lien.

Doris McNally – That was quick. So, sometimes doing those things pays off.

Don Fawson - We wish them the very best in their future and that is good we were able to get that taken care of. If nothing else, I will accept a motion to adjourn.

VIII. MOTION TO ADJOURN MEETING

DISCUSSION	Don Fawson - Alright, if nothing else, I will accept a motion to adjourn.
VOTE	MOTION TO ADJOURN: Brant Jones SECOND: Michelle Peot MOTION APPROVED: Unanimously

ADJOURNMENT: 8:25 PM



Layna Larsen | Corporate Secretary