



MINUTES

DATE/TIME/LOCATION:	March 18, 2026	7:00 PM	Leeds Town Hall
TYPE OF MEETING:	Board of Directors Meeting		
NOTE TAKER:	Layna Larsen		
ATTENDEES:	Board Members: Don Fawson (P), Doris McNally (VP), Don Baldwin (M) Staff: Mark Osmer (Field Operations Mgr), Layna Larsen (Corp Sec), Dan Brown (CC-Backflow Specialist) Shareholders: Susan Savage, Amy Jones, Chris Harvey, Wayne Peterson		

Agenda Topics

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

CALL TO ORDER	Don Fawson - Welcome to our meeting tonight. We will do a Roll Call starting on my left.
ROLL CALL	PRESENT: Donald Baldwin, Brant Jones, Don Fawson, Doris McNally ABSENT: Michelle Peot

II. PRAYER [Donald Baldwin]

III. PLEDGE [Donald Baldwin]

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

DISCUSSION	<p>Don Fawson - Layna, where was the meeting notice posted.</p> <p>Layna Larsen - We have it posted on the LDWA office door. We have it posted on the outpost bulletin board and we have it posted on the LDWA website.</p> <p>Don Fawson - I will accept a motion to approve the previous meeting minutes.</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.
DISUSSION	<p>Donald Baldwin - I want to make a clarification on those minutes. Michelle made a statement that they have to actually bring water to us. We understand what the intent was and what she meant. But I think it needs to be clarified that when somebody comes and says they're bringing water, that they are not actually bringing water and injecting it into the system. If they actually brought water to the edge of our service area, we might be saddled with the expense of pipes or pumps or whatever to make use of the water. The water needs to not just be water shares or water rights. It needs to be actual water that is injected into our system.</p> <p>Don Fawson - Yes, what we've done in the past, and correct me if I'm wrong, is that they can bring water rights, but they actually have to work with the State Engineer to put that into one of our source locations. We are not going to accept water that has to be injected into our system.</p>

	<p>Brant Jones - That is a good point that Paper Water Rights are not wet water. So, a bunch of paper is not going to increase the amount of water that we can produce. We have to pace our usage to make sure that we're not going over our capacity and staying within the bounds of our assessments and the studies that have been done.</p> <p>Don Fawson - Yeah, just as an aside, I was talking to Riley on that very issue and he said that Washington City is now mining water. And for those of you that may not know that term, it simply means that they're pulling more water out of the ground than can be recharged through the aquifer, which is not a good situation to be in. We definitely want to avoid that. Don, did you make a motion to accept the minutes?</p> <p>Donald Baldwin - Yes, and as long as that is understood, I'm comfortable with that.</p>
VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Donald Baldwin SECOND: Brant Jones MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Donald Baldwin SECOND: Brant Jones 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	Donald Baldwin, , Don Fawson, Brant Jones, Doris McNally - All stated "No conflict"

VI. OFFICERS REPORTS

a) PRESIDENTS REPORT [Don Fawson]

DISCUSSION	FOREST SERVICE [Don Fawson]
	<p>Don Fawson - I had a chance to talk to Riley a week or so ago about the permit from the Forest Service that's been dragging on for what seems like forever. He talked to Joe Rechsteiner, our chief forester, and Joe had said, well, it will be done around the 1st of April, but he's given us "maybe dates" in the past. Riley says they keep asking him for more information. And it's been at least three years right now that they've been working on this. It's frustrating because I don't know if anyone else has felt this, but I feel an urgency to get this done, not just because it needs to be done, but because of what we're seeing now in the world. The price of things like pipe, no matter which type of pipe we choose is made with petroleum, and the price has just increased again. So, prices are going to go way up which is going to cut into our grant money and it's just frustrating. I actually called Joe, who is a nice guy, encouraged him to move this along as speedily as he could. We hope that we actually do see something the 1st of April. Then Jones and DeMille can put it out for bid, which will include the well, the pump, the lines up at the well site, the well house, installing the generator, putting in the propane tank, and then running five miles of line down from the Spring down to the connection at the dugway. So, we'll see if we can move that ahead as fast as we can.</p>

DISCUSSION	WATER RIGHTS [Don Fawson]
	<p>Don Fawson - I would also like to have the Board join me in a meeting with Michael Freeman, who's the District Water Engineer in Cedar City. I haven't set an appointment yet. But there are some things that I'm concerned about. I'd like him to clarify.....</p> <ul style="list-style-type: none"> • What are we allowed to take from the Spring in gallons per year, even including the wintertime.

- Can we have duplicate source points for some of the same water rights? Like, for instance, with the well, can we have both of the wells as source points for a particular water right? Or, can we have a water right in the Spring also in the well in case the Spring is running low.
- Can we move water right 81-4402 from the Spring to our wells and recover the origination date? Because it's basically useless. at this point.
- I'd also like to clarify the "use it or lose it" phrase that applies to our water rights. I know the State clarified that for the Washington County Water Conservancy District, but I'd like to see how it applies to our company as well.
- Can other entities move water rights into our sources, the Spring or the wells, just having them sit there?
- If in fact, we return Silver Reef Investment Holdings their water rights, what happens to those Rights? Where do they go? What's their source point?
- Finally, can we transfer LWC irrigation rights that we own to culinary? Part of that goes back to LWC ByLaws. So, I don't know exactly how that happens.

Don Fawson - And then one other thing is if the Town is interested in this, but it's my understanding that the Town does not have any LWC water rights.

Mayor Wayne Peterson - We don't have any LWC water rights.

Don Fawson - We actually have some, and they're not doing us any good at this moment and just wondered if the Town might be interested in purchasing or leasing some of those Rights to water the park.

Wayne Peterson - Is it a full share, do you know? We ought to talk about that.

Don Fawson - Yes, we'll need to talk, among ourselves as well as with LWC to see if that's even possible. I know that if you're going to be using our domestic water, it's going to get very expensive. Susan, do you know how many shares were in the Laney transfer?

Susan Savage - I thought it was close to 9 and I also thought that Ron Cundick worked on that and got them transferred to culinary. Isn't that what you have in the Spring? Isn't that what you're talking about?

Don Fawson - I didn't think so, but that would be a good thing to clarify. We can talk to the State Engineer about that.

Brant Jones - Those are all really good questions.

Susan Savage - I think, Don, the thing is, I know we asked the State Engineer once how much water is in a share, and he said it depends on the company. Every company decides how much water will become a share.

Don Fawson - That makes sense. Okay, I'll let you (Board Members) know. Please give me some dates that will work for each of you, if you'd like to attend that meeting. I think it would be well for anyone that can go. It will be in Cedar, at the office.

DISCUSSION	THE INTERSECTION OF MAIN ST AND SILVER REEF RD PIPE CONVERSION [Don Fawson]
------------	--

Don Fawson - And then at this point, I'm going to call for a motion to move forward with the North I-15 10" pipeline connection installation project as soon as the hydrants are flushed and repaired, and the UDOT gives approval using our Impact Fee Funds as approved through Bowen Collins. So, we've talked about this in the

past, and I just want to get an updated official approval at this point. Anybody have any thoughts or comments or want to make a motion?

Brant Jones - Just as part of the discussion, was there any discussion on the financing of that? I think that was the only concern.

Don Fawson - Bowen Collins said that we were clear to use those funds for that project. And in fact, they said that account should not have any funds sitting in it. That as soon as money comes in, it should be moved out to a specific planned project that fits within the scope of the impact fee requirements.

Brant Jones - And that project fits?

Don Fawson - Yes.

Doris McNally – Some background for our new Board Member (Donald Baldwin). Bowen Collins, when they did our Impact Fee Analysis, they also put together our Impact Facility Plan, that identifies what projects we have coming up that we can use impact fees for. We didn't have that 10" project in our list, so we added it. It is now covered. The Impact Fee Facility Plan is a document, required by law, that details the capital improvements needed for a water system to accommodate new development, outlines how these improvements will be funded, and establishes the impact fees new connections must pay. So that's why it's very important for us to make sure we keep that list up to date and make sure that when we do have expenses that we capture it very cleanly into our system. So, the 10" line that Don is talking about was added in and was discussed before you came on the Board and approved.

Donald Baldwin - Thank you very much.

VOTE

I MAKE A MOTION TO ACCEPT THE 10-INCH LINE BASED ON THE INITIAL DECISION :: Doris McNally | SECOND:: Brant Jones. **MOTION APPROVED:** Unanimously

DISCUSSION

UPDATING METERS [Don Fawson]

Don Fawson - OK. I would like to give you a little background. Mark and I and Doris met with Riley Vane and Trayson Maxwell at Jones and DeMille's office. We went through what we needed to do to bring our metering system, up to date. This diagram will help clarify that a little more. It's got the line sizes on it, so we can refer to those. We are short enough meters in our system to be able to adequately account for all the water that's flowing from our sources down into Town. The State wants us to meter that. We have our individual meters connected to our shareholder's houses, and we can add all those up, but they want something that is actually master metering the entire system. We determined at this point that eventually we are going to need five meters, but in the short term we need four meters, and we are suggesting that they be cellular meters so that that information can be picked up and tracked through the office computers, and so that it's not requiring, Mark to go out and check all those meters manually. So, if you'll notice on this diagram the squares are the meters that we need to install. We also talked to Riley about the possibility of including those in the DDW loan, and he said they could. We also asked him if we could go ahead and purchase those meters, have Mark install them, and then request reimbursement. He also indicated positively that, yes, that could be done. Based upon the need that we have and the encouragement from the State, I suggest we move ahead with this project. I'd like to call for a motion to approve purchasing and installing the four meters at the locations that are indicated on this.

Brant Jones - Which ones, there are the four meters on the diagram?

Don Fawson - OK, it would be the three going into Town and the one on the overflow return, which we have responsibility to measure. It would not include the one on the new well line, or the recharge line, which we have not installed. And it would not include the upper spring meter.

Doris McNally - So, Donald B, in looking at the document that Don gave you, the meter size needs to be validated and that it can be available in a cellular type of meter. We use Badger meters in our system, so the engineers need to contact Badger and get the specifications for a 4" and 8" meter prior to us finalizing our plans. We haven't gotten that confirmation yet, but the idea is that these four meters would be all from the same manufacturer and the same system, so that we're able to track them uniformly. Then by placing an order for them sooner than later, we can just transfer the expense once we get the monies back from the loan. But Don, I just wanted to let you know, Trayson, J&D, talked to me today and said he hasn't heard back from Badger yet or from Hydro Specialties, so he doesn't have a definitive answer on those 4" and 8" meter specifications at this time.

Don Fawson - I appreciate you checking through on that. I intended to do that, didn't have time. So, I know that they've talked about getting that information.

Brant Jones - Is there a way to just replace the one from the spring and then the one from the overflow in digital and simplify that? Do they want all of those lines to have separate meters, or could we just do those two?

Don Fawson - They want all of them. So that they can isolate where the water is going?

Doris McNally - And there's options of meter types. Clearly you can do the manual readers where they have to be read by hand, but that requires somebody to physically read them every week, which is tedious. We can use cellular, or we can also use fiber optic type devices. So given our topography and given our situation, we have decided that the cellular would be the smartest way to go about it. That would give us what we need to be able to meet the State requirements for reporting.

Don Fawson - What I'd like to do on this is, based on the fact that we still need to gather data, I'd like to call for a motion to move forward with this installation based upon the engineering results, and then also reaching out to each board member for approval if it happens before next meeting.

Doris McNally - I'm supportive of that. I think it's needed for our organization. The one thing I would ask is that, Mark, when we go forward, is it very important that all the expenses that are associated with installation have to clearly be identified to Layna and to Jennifer, because it is coming out of our coffers right now, but ultimately, we're going to use those receipts to put it under the loan. It is putting a little bit of extra bookkeeping work on us, so please just keep that in mind and remember that. And anyone who's touching any field expenses, if you could just remember that. It's important so we can apply the expense to the loan.

Brant Jones - So, will there be a further opportunity to approve the cost of them? It looks like there is a variety of meters to choose from.

Don Fawson - It is covered under the loan. We need to do it. It's either going to be manual meters that we continue to read, or it's going to be cellular, that sort of thing. I don't think there's a lot of difference between the cellular brands, but obviously we'll be checking on that. And I'll send that information out to each of the Board Members before there's any final purchase. It may not be till next meeting.

Brant Jones - I guess I recommend also, and maybe Mark already knows some of this, that we not only research on the price, but what kind of maintenance is involved. If we bump up to a higher end digital meter and I totally think that's the way to go. Because if we're waiting for you to have time to go check the meters, and we've got a leak somewhere, it could just be running for days before we spot it. So, I think it definitely is the way to go if it can be maintained.

Mark Osmer - I think they last for like 10 years and then you can just replace the little top section, you don't replace the whole meter, I think.

Don Fawson - I think that they said you just have to replace the meter. Donald, anything you wanted to ask.

Donald Baldwin - No, I just think it is paramount to have the meters. You can't control what you can't measure. I think it's important that we move ahead with the meters.

VOTE	I MAKE A MOTION TO MOVE FORWARD WITH IT:: Brant Jones SECOND:: Doris McNally MOTION APPROVED: Unanimously
------	---

DISCUSSION	WATER SECURITY [Don Fawson]
------------	------------------------------------

Don Fawson - Okay, the next piece is water security. As we have seen, the world seems to be less secure the more we move forward and there are bad actors that would like to do harm, because they're mentally ill or something, or have some vendetta, or that they are actually ideologically connected with some team that's controlling their narrative or whatever it is. So, one of the things that's been recommended, let me just kind of give an example here of what happened. At one time, we had a vault that off the freeway, out back a ways, and it had a fence around it and then it had security cameras around it and those kinds of things, it occurred to me at the time, If I were driving along and trying to figure out something to do that wasn't particularly good, I'd look over there and just say, boy, that looks like it's interesting and it almost becomes a magnet. So, this recommendation comes from part of the US Environmental Protection Agency. It says in in the context of water system security, the concept of keeping assets, quote "unlabeled or unidentified" primarily relates to security. Through obscurity, this approach is generally considered better for security because it reduces the footprint of critical infrastructure, making it harder for malicious actors to identify, target and exploit specific vulnerabilities. Unlabeled assets improve security. They prevent targeted attacks of a water infrastructure, chemical storage tank, or control panel is not physically labeled with its function or unique identifier, an intruder cannot easily determine which components to sabotage to cause the most damage. Reduces information leak leakage. Publicly visible labels can be photographed and used by attackers to research specific models of equipment like pumps or valves to find known digital or physical exploitations. One of the things that we've determined as a Board is that we will not create a SCADA (Supervisory Control and Data Acquisition) system that allows us to digitally online shut down valves or open systems or turn them on or off. This will also deter optimistic intruders. An unmarked facilities or equipment often appears less significant to a casual trespasser. For instance, using all natural physical barriers like thorny bushes or unmarked fencing can deter intruders without drawing attention to what is being protected. It mitigates physical risks. Storing chemicals and labeled containers is vital for safety, but in a security context, prominent labeling on the exterior of a facility can signal the presence of hazardous materials that could be weaponized or stolen. So, they're not saying that you shouldn't label. Those things within the facility just shouldn't be marked on the outside of the facility. Again, it's from the US Environmental Protection Agency Assist.

The security versus operational trade off, while unidentified assets provide a layer of security, they can create significant operational risks. And that would be if we had a very large system and people that didn't know what was going on, Mark, is our brains. Inefficient asset management. Physical identifiers are crucial for tracking maintenance, repairs and monitoring costs at a national or local level. And even our GIS system is our private system. It's not out for public review and public display. Delayed emergency response in the event of a

leak or contamination, responders may struggle to locate the location. I don't think we're having trouble with that.

On the best practices for water security, this comes from the International Marine Contractors Association. The US Environmental Protection Agency and CS, CIS a recommend balancing security and safety removing public fencing labels is encouraged. Avoid labeling critical infrastructure and areas accessible to the public using secure internal inventories, Keep detailed digital maps and inventories of all IT and OT assets that are only accessible to authorized personnel and hardened physical access. Use tamper proof locks, motion activated lighting, and internal hinges to secure entry points rather than relying solely on secrecy. It also says that there is some resources here specifically for small drinking water systems. Based on that, it is my recommendation that we remove all symbols with the water drip on them and LDWA from all these caged boxes up the Canyon, and the Spring site. I think Doris some of the things you said that we install "no trespassing" signs because that does create the legal mechanism for being able to prosecute people that actually enter those areas. I'm even looking at and concerned about the signage on the water tanks and even the description of the valves on those tanks. Perhaps even the markings on the door at the office. Because that's all the data that is linked to our system. So those are some of my thought's. Discussion?

Brant Jones - There are some signs on the mechanical gate.

Don Fawson - Yeah, there is. You mentioned the mechanical gate. There are signs there as well. What I would suggest there is that we just put something on there like "No Unauthorized Vehicles" beyond this point or something to that effect.

Brant Jones - Well, it's public lands too. We own the right of the way to the road to get to the tanks and to the system. I don't think it should be open gate, but it shouldn't be assumed that nobody can walk up in there.

Doris McNally - I suggest we post signs at the gates stating "NO UNAUTHORIZED VEHICLES BEYOND THIS POINT" to help with access control. There are only a few signs, so this should be manageable. For tank fence signage and other smaller access points—such as the gate to the Highlands and by the chlorinator—we can consider removing some signs and monitor if any issues arise, since we haven't seen problems so far. Our current security measures, including diligent camera monitoring by Mark and regular system alerts, have been effective. I believe our approach to cybersecurity is appropriate for our small system, and we should avoid unnecessary exposure. I recommend we compile a list of locations where sign removal makes sense, retire those signs, and review the results before making further changes.

The decision we've made about the implementation of SCADA just for monitoring, and not for system control, from a cybersecurity perspective is a good decision. We are a small system. We shouldn't open ourselves to that kind of exposure.

Brant Jones - This kind of surprised me. I like it because there's research behind this, but the security through the security is, in my mind, if you're looking at a federal offense, that's going to even scare me more, but I'm not the kind of guy that's going to mess with it. So, we are looking at people that intentionally are trying to do harm through a water system. And I think, I don't know, maybe we repaint the tank, so they are less noticeable, less visible. I agree with what you're saying. I think that if somebody was coming in with the intent to use the water system for sabotage purpose, that the less information we offer them is probably better. I do.

Donald Baldwin - I think it's a good idea. I like the idea of having the brambles and the bushes, you know, the sticker bushes and that. That's a pretty good deterrent, you know. If you get stuck and stabbed you just kind

of feel like it isn't worth it and the only thing, you're going to get is those that are really determined to get in and I think it's a good idea.

Brant Jones - Yeah, I mean somebody that was even slightly serious about it, they are going to have a drone and fly the whole area and see stuff like that, so you are not going to really hide a tank, but the less noticeable is probably best. It does concern me though, because we say we are a small system and then we point to Mark, he's the only guy really that knows everything. So either we have got to get more familiar with the system or have more people familiar with it or we do need to have some resource where we can open up the books and have really easy access.

Doris McNally - That is on our GIS.

Don Fawson - Do we have a printed copy like the one Jones & DeMille created the other day.

Brant Jones - Who has access to the GIS right now?

Doris McNally - We have a limited software license so three users, me, Mark and Jones & DeMille.

Brant Jones - If somebody came to me and said, we have a big problem with your water system, you three are the people with access?

Doris McNally - Yes. I've also recently been talking about how the DWR has updated their Water System Emergency Template, and I've actually been updating our 2022 document with this new information. In that draft I am working on, it actually gives the longitude and latitude of the different locations, and that information would be in our emergency guide. We would be able to disseminate that information relatively quickly to those who need it. The HVFSSD fire department already has a copy of our current Emergency Guide & GIS Hydrant locations. In a GIS format & also a printed map. I recently worked with Khol Furley on that.

Don Fawson - I would like the valve identifications removed from the highlands tank. We should have information posted, perhaps in the Well House, that tells what those are. Again, there is nobody out there in the public that should know what those valves are. From my point of view. And I think that we can also immediately just remove all the water identification signs from the small, gated areas going up to the canyon. And Mark, do you remember if there's any of those signs on the Spring enclosure itself?

Dan Brown - I believe there's a culinary sign on the Springhouse fence.

Don Fawson - I believe that should be removed too. This is kind of a catch -22, if you put up No Trespassing, then it kind of raises the idea that maybe this is something potentially important. But if you don't, you have no legal recourse. If somebody just gets in there, if they do any damage, you don't have any foundation to legally prosecute them for entering that area. Not only that, in a sense, you haven't warned them that they should stay out. So, I wonder on that piece, I'd like some discussion on that. The other thing is, I believe that in the plans for the well house and whatnot, that those fences will all have barbed wire. I'd like to get with Riley and see, and if in fact that's the case, maybe the possibility. We don't have that on the Spring fencing, do we, Mark?

Mark Osmer - We don't have barb wire.

Don Fawson - Mark, are there some kind of bushes growing along that Spring fence, isn't there?

Mark Osmer - Yes, like thorny, prickly bushes. I don't know what they are. But they grow quickly.

Don Fawson - Perfect.

Doris McNally - Why don't we do this? I'll make a recommendation to move forward. We'll remove the valve signs on the Highlands Tank, all of the "teardrops", "culinary water" wording on signs that are on the Highlands Tank, the Chlorinator, the fence around the Spring, and the gate up at the Highlands. I think those are the three major locations we have. We'll remove those. I'll work with the sign gentleman who made the other signs and see if we can come up with a no trespassing sign or get some no trespassing signs. And we'll take it from there if that is acceptable.

Brant Jones - On that number three there, the motion activated lighting, is there any place that would make sense because that's pretty easy.

Mark Osmer - We got power at all the tanks, so we could actually put some lights up.

Brant Jones - And the internal hinges, too, if we could just take a look at those. I they are something, that could be pretty quickly switched and inexpensive.

Doris McNally - If we look into the lighting, what I'd like to recommend is we have a number of security cameras in our system. Some are starting to fail, they are old. When we go to replace the new cameras should have motion video and lighting on them. The new ones have spotlights right on top of them. So, by replacing some of the cameras, the more critical cameras, and replacing them with ones that have spotlights on them. We are killing two birds with one stone. So, if the Board is okay with that, I'll work with Mark and come up with a proposal, get some pricing, and bring it to the Board.

Don Fawson - Okay. So, Doris made a motion to remove the signage going up the canyon and then also just removing the valving signage on that Highland's tank sign.

VOTE	I MOTION TO REMOVE THE SIGNS ON THE FENCES, TO REMOVE THE VALVE SIGNS AT THE HIGHLAND TANK AND THAT WOULD BE STAGE ONE THEN WE CAN TAKE IT FROM THERE:: Doris McNally SECOND:: Brant Jones MOTION APPROVED: Unanimously
------	--

b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
------------	----------------------------------

Mark Osmer - Okay, we passed our BACT again this month, so that was good.

CEU'S FOR CROSS CONNECTION

At the end of last month, beginning of this month, we were at the Water Conference and Don, Dan and I completed our CEUs for Cross Connection Certification.

FIRE HYDRANTS

Mark Osmer - I've been flushing fire hydrant and have about 15 more to do. While doing those, I did find two hydrants that need to be repaired. One that had been run over, and one looks like a water truck was hooked to it, and they obviously drove off without disconnecting the hose and pulled the brass connection out. I put a new one in but it's still leaking so I got parts today to try and fix that. I fixed the other one that was hit and run over.

Layna Larsen - I would like to verify; someone was hooked onto our water system without a meter?

Mark Osmer - That is the only thing I can think of as to why it was suddenly leaking badly. I've picked up a new brass fitting today so I will put that in tomorrow and hopefully that will fix it.

Don Fawson - Does it only leak when you turn it on.

Mark Osmer - Yep but I am worried if you turned it on when it builds up pressure if it blew out it would hurt someone. The one that got run over is leaking on the bottom. On the bottom of the Kennedy hydrants, they have those break-off rings. So, I got a new one and hopefully we can just re-bolt the new one, put a new O-ring in, and it'll be good.

Don Fawson - Appreciate that, Mark. For those who may not know, every year we're required to flush all of the hydrants in Town for a couple of reasons. One, Mark just pointed out, and that is that there can be damage done to them that hasn't been reported, and we need to get them fixed. And the other thing is to make sure that they are all serviced, greased, that all of the caps can actually be removed so that the fire department can hook on. A few years ago, I was painting some of the hydrants and I had to get about an eight-foot cheater bar to get one of them off. The fire department doesn't have the time or resources to deal with hydrant issues.

Mark Osmer - I've taken all the valves and greased them and all the caps and greased them. There's a couple we need to repaint, a couple we need to put numbers on, and then the ones up in Silver Eagle Estates, I have gotten with Doris and we're going to number those.

Chris Harvey - Is the truck that hooked up to the hydrant an authorized truck?

Mark Osmer - I don't know. I'm just assuming that's what happened. I am not sure of any other way to get that damage.

Doris McNally - Another way of saying it, Chris, is in the past where when the developer is working on a piece of property, they need water to be able to tamp down the dust. So, what they do is find the closest hydrant and hook onto it without getting a meter from us. And it's actually called "theft of service." We have filed claims against people who have done that in the past. In this case, we don't know who it was. If you see someone hooked onto a fire hydrant without a meter they are stealing the water. The easiest thing is just to call Mark or the office and let us know, then we will go over and investigate.

Don Fawson - And there is an emergency number on your water bill, and you can call that.

Mark Osmer - Yeah, it'll go straight to me. But that's the only thing I can think that happened. I can't see anyone going up there and just vandalizing it.

Don Fawson - So the other purpose of flushing the hydrants is that those are actually dead ends in the water system. And sometimes there's things that get into the water system or maybe even some things that might start growing in there where you have a long dead end. By opening those hydrants and flushing that water out, you avoid those kinds of situations. So, we appreciate you doing that Mark.

Mark Osmer - And another thing, when we're flushing this year, we're using one of our fire hydrant meters, so we can account for every drop of water that we're using.

Don Fawson - Great. Yes, the State is interested in us doing that. Thank you so much for keeping track of that. It's quite a project.

c) TREASURER'S REPORT [Layna Larsen]

DISCUSSION | **ANNOUNCEMENTS/BILLING/COMMUNICATION** [Layna Larsen]


BILLING

Layna Larsen - The billing for February was completed and mailed March 1st.











NEWSDRIP

On the back for the NewsDRIP, we introduced the Board of Directors and Staff. For the April Statement for March usage, we would like to do an article about preparing for spring and turning on your irrigation system. If everybody is okay with that, I need a motion or if you are interested in giving us another idea, great?


Doris McNally - Most of the systems are starting to go on now. It is estimated that 80% of a homeowner's water is used outside. We actually worked with a shareholder today who turned on his system, and we walked the perimeter with him to see if there were leaks, and there were. So, I think the timing of this article would be pretty well received. And it's just warning people that when they turn on their system, they should at least walk around their property and see if they have any leaks.



INTRODUCING YOUR 2026 BOARD OF DIRECTORS & STAFF
We are honored to serve you, our shareholders and neighbors.

 DON FAWSON MEMBER	 DORIS McNALLY MEMBER	 BRANT JONES MEMBER	 MICHELLE PELT MEMBER	 DON BALDWIN MEMBER
 LAYNA LARSON TREAS.	 DAN BROWN CC.SPEC.	 MARK OSMER WATER MGR.	 JACK HYDRANT SECURITY	 BILLY LEAK DETECTION


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



PREPPING FOR SPRING
Turning On Your Irrigation System

After a long winter, spring is finally here. The birds are singing, flowers are blooming, and the season of yard cleanup and outdoor home maintenance has begun.

Before you get too excited, though, remember that we all spent some time dormant over the winter, including your irrigation system. You blew it out and turned it off to protect your pipes from freezing, but now it's time to turn it back on.

 A simple walk around your property the first few times you activate your irrigation system can help you spot any leaks or issues.


By addressing these problems early, you can avoid an excessively high-water bill and ensure that your water use is both efficient and environmentally friendly.


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

VOTE | **MOTION :: I MAKE A MOTION TO ACCEPT THE ARTICLE AS DRAFTED :: Doris McNally |**
SECOND: Donald Baldwin
MOTION APPROVED: Unanimously


DISCUSSION | **FINANCE** [Layna Larsen]

FINANCE [For the Month of MARCH & YTD 2026]

P&L FOR THE MONTH REPORTING						
	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. OI:	\$17,274.09	94.8%	Ord. Field OE:	\$5,459.89	29.9%
	Other OI:	\$957.11	5.2%	Ord. Admin OE:	\$2,679.45	14.7%
		\$18,231.20	100.0%	Professional OE:	\$557.00	3.0%
				Labor Expenses:	\$9,569.63	52.4%
					\$18,265.97	100.0%
	Net Ordinary Income:		-\$34.77			

YTD P&L						
	TOTAL INCOME			TOTAL EXPENSE		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Ord. OI:	\$41,935.42	94.6%	Ord. Field OE:	\$14,378.34	35.2%
Other OI:	\$2,387.74	5.4%	Ord. Admin OE:	\$3,077.73	7.5%	
	\$44,323.16	100.0%	Professional OE:	\$3,653.50	8.9%	
			Labor Expenses:	\$19,785.31	48.4%	
				\$40,894.88	100.0%	
Net Ordinary Income:			\$3,428.28			

The LDWA's Banking Accounts [as of 3/15/2026]

BANK ACCOUNTS FOR THE MONTH REPORTING						
	CHECKING ACCOUNTS			SAVINGS ACCOUNTS		
	ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
	Checking	\$82,536.25	29.3%	Emergency Reserve	\$276,312.15	58.0%
DDW Loan Funds	\$199,469.47	70.7%	Loan Reserve	\$132,637.81	27.9%	
	\$282,005.72	100.0%	Impact Fee Fund	\$26,141.99	5.5%	
			Cap Facilities Replace	\$27,509.35	5.8%	
			Debt Service Reserve	\$13,507.97	2.8%	
			Open Acct	\$4.00	0.0%	
				\$476,113.27	100.0%	

Donald Baldwin - I have one question. How much of that is from loans of this \$476,000.

Layna Larsen - That loan reserve is our payments. We transfer so much money every month in there so that when the loan is due, we have the yearly payment available. We pay the loan payment once a year. We have a buffer of one payment ahead.

Don Fawson - OK, any further discussion? Thank you. I'll accept a motion to accept the financials.

VOTE	MOTION TO ACCEPT FINANCES:: Doris McNally SECOND: Brant Jones MOTION APPROVED: Unanimously
------	--

d) ADMINISTRATION REPORTS

DISCUSSION	SHAREHOLDER TRANSFERS [Doris McNally]
<p>Doris McNally - We have a number of fund transfers that are happening, homes are being sold. So, there is a lot of Office activity going on, just so you know. And that involves title searches and things like that. And this is mainly for our new members. What happens many times is when a title search company sends a request to us, we have to respond to them about information about the water system because it's a part of the home buy. So, we are starting to see an increase in transfers or home sales in the area. So, I just wanted to make that notation.</p>	

e) BOARD MEMBER REPORT

DISCUSSION	LWC [Brant Jones]
<p>Brant Jones - No not at this point.</p>	
<p>Don Fawson - I Might just mention I've been in contact with Tom Beach, and he was going to be in Town and then he got hung up out in Oklahoma somewhere. But he said he will be in Town hopefully this next week, and</p>	

we can sit down and carve out something with this agreement and see if we can get that moving. He's anxious to get it done, and so are we. So, Michelle's not here. Donald, did you have anything you wanted to add?

Donald Baldwin - I had questions about that A, B, and C, and D shares, but I've got that kind of resolved in my mind now. So, I'm good on those.

Don Fawson - Maybe we'll have to get with you and have you explain your questions,

Donald Baldwin - Well, basically, they deal with the Irrigation Company and not with us. And if the senior right is filled, and that's the A shares, and when water drops to a certain point where they can't meet the allotment for the all A, B, C, and D, then D has to drop out or receives a lesser amount until they are dropped out. And it works that way until the senior right is the one that is receiving water. And that's basically what it is for irrigation.

Brant Jones - And let me just mention that the State doesn't really use the alphabet designators. They just go on dates for priorities. So, we bring that up to them. Can I just make one more comment?

I know we already motioned it. I apologize, but in this NewsDrip article that is going out through the LDWA statements, it mentions irrigation. And Doris, when you bring up these homes that are selling, I was a whole week this month discussing with realtors, and there is confusion about people that think they have irrigation water when they just have LDWA water. So, are you referring to LWC water?

Doris McNally - No, I'm referring to LDWA water used for outside irrigation.

Brant Jones - So, people are using their culinary water to water their yards and things like that. I wonder if there's another way to put that so it's not so confusing, because there are a lot of people that are confused.

Doris McNally – Good point Brant. How about if we change irrigation watering to outside watering?

Brant Jones - Yeah, something like that might help. Because I agree with the content of it.

Layna Larsen - I have told people there is a difference between LDWA water and LWC and some people use LDWA water to water, so they need to verify if they have water with LWC.

Brant Jones - These people were trying to charge for it. That's what they were doing. They are selling a home, and they were Insisting that they were supposed to get extra money for an irrigation share when they didn't have an irrigation system.

DISCUSSION

CROSS CONNECTION [Dan Brown]

Don Fawson - And that brings up an issue, too, going to this RWAU Conference kind of brought to the forefront Cross -Connections. Dan you can probably help with this too. So, the people that we are mainly concerned about at this point are those with irrigation shares and LDWA water connections. Because they want to be able to use their irrigation for irrigating and then when the irrigation isn't giving them the pressure or water they need they want to switch over to use the LDWA water. It is against code for them to have a direct connection between the two, even if it's valved. They cannot have a direct connection. They have to install something called a Swing Connection, which is a flexible pipe that can only be connected to either the culinary system, into their irrigation system, or into the irrigation system into their local irrigation system. Not only that, but they have to have a device called an RP upstream on the culinary side of that swing connection to prevent cross contamination. That's the only way that they can have a system that legally will feed from both sources. I think

a lot of people don't have any idea what that is. In fact, we had a situation here in Town where the individual did not have a swing connection but simply a valving arrangement. As a result of turning the wrong valves they were back feeding irrigation into their house and were drinking that, became ill, and wanted to blame the LDWA water company. So, they hired a plumber who came out and installed a valving system that was not up to code. I talked to him, and explained that the only way to meet code was to have a swing connection. He said, I've never heard of it. And so even though it's State Code, he was not up on that. I don't blame him. I mean, I don't know where the failing on that is. I gave him a copy of the code and he installed it correctly. But I was thinking, I don't know if it would offend people if we just went around with those that are on the list that had both LDWA and LWC water and just asked them if they're able to switch their irrigation system between LWC and LDWA and if they are, ask them if we might look at that and see how that happens, and then give them advice on what needs to happen.

Dan Brown - Don, while we are on cross -connection, I am late, but can I do my report.

Don Fawson - Sure

Dan Brown - At the Water Conference, in the refresher, we had some people speaking from the City of Sandy up north, and they were talking about cross-connection. Obviously, we have to get a manual together with basically a statement of authority, and I'm assuming that would come from the Board and that we're not dealing with the Town in terms of the culinary water supply.

Dan Fawson - We've already done that.

Dan Brown - Okay, I haven't seen a folder in the office, but if it's there, I'd love to have that forthcoming. But one thing I noticed that they spoke about was the cross-connection issues they've encountered. Most in their municipality involve institutions, involve commercial businesses and whatnot. When enforcing cross-connection with those companies and those customers, they seem to be pretty much draconian following the law. When it comes to homeowners, individual homeowners, they put in a system that I thought was actually quite Revolutionary in that they put a fine structure in place, which we do not have to my knowledge. So, I think the Board needs to look at implementing some type of fine structure for violators to encourage them to get into compliance. But the thing I really loved about it was basically how they handled it when compliance was achieved ,at least with the residential customer the fines were forgiven and rebated. So, I think I think the Board needs to look at putting some type of fine structure in place and I would hope with the idea that once compliance is achieved that those fines would be refunded.

Don Fawson - I think that's a great idea, Dan.

Brant Jones - The Town might be one of those situations too, if you're able to water both with culinary and irrigation, or are you only doing irrigation? It doesn't go through the irrigation system, it actually comes off of a buffer and then, so that's where our LDWA irrigation water is. It does not go into the open irrigation system.

Doris McNally - Dan, thank you for that. I'm just stepping back to Don's commentary earlier. So, Don, you may not remember, but a little while back, we were asked to survey each one of our shareholders regarding cross connections. And each one of our shareholders were asked to tell us if they were an LWC customer or not. Based on the info we gathered, we put a priority list together based on whether they are commercial, farms or LWC shareholders, because those are the higher risk situations for cross contamination, and that's the list that Mark should be using to tick off his audit for cross-connection review on a yearly basis. If we were to just go "en masse" and do the entire system, Mark would be taken out of service for a long time.

Don Fawson - Yes, so the ones that are certified are Dan, Mark and me, and it doesn't have to be Mark, Dan and I can go out. And I don't anticipate it being a draconian kind of thing, just an idea that we can help you avoid contamination in your own system, keep from getting sick, and not only that, possibly getting people in the Town sick. I think that we had actually approached what we've considered to be the high risk sites, and they put in RPs.

Doris McNally - In some of the cases, yes.

Don Fawson - If that hasn't happened, then we need to follow up on that. I think everyone that was identified. Was everyone that was identified installed RPs?

Layna Larsen - Nope.

Don Fawson - So, Layna, we need that information, if you could just give that to me and let me know. The other one is that those who have those devices, including myself, should be having those checked every year and that certification sent in yearly. So, you are saying there are those who have never installed those devices?

Layna Larsen - No, there are some who have not been confirmed one way or the other.

Don Fawson - Okay. All right. Well, we hope they have. And like I said, if the year slips by and other things come up, it's kind of like, you know, that's why the state sends out notices to get your vehicle registration redone.

Doris McNally - And the requirement for us is that we show that we are moving through reviewing a number a year. They don't give you a specific number. So, it's something that, we should try to make sure things are happening.

Don Fawson - Well that's good. You know, I think that's a movement in the right direction.

Dan Brown - And Don, if you recall at the conference, at least the refresher course, you know, right now the reporting is voluntary, but I think it was kind of reading between the lines that this is going to eventually become a mandate. So, I think we need to really get moving on this and get what documentation we have in place, because I don't want us to get caught with our pants down.

Don Fawson - I agree, and I think at this point my biggest concern is just for the safety of our system and our customers. And obviously, that fits into the reporting as well. So, I appreciate you bringing that up.

VII. SHAREHOLDER COMMENTS

DISCUSSION	SHAREHOLDERS
	<p>Susan Savage - On the Security - it seems like your map is really important. And if your map is updated, then can't you use a code system to mark? Just like when you buy a piece of equipment and you're looking at how to assemble it or put it together, and you've got the pictures and the little numbers by it, and then you can look at what those numbers mean. It seems like if you have a code and like a number for each of the places that you need to know about. If you are taking signs down, then you just have a little booklet or something that tells what those places are maybe that's part of what you're already talking about but it seems like that would be the way for any of you to be able to go into the office or wherever and look at the books if there's a problem and see where that is and what it is.</p>

Doris McNally - Susan that's a part of the emergency document that I'm updating what it does is it says this is a location and here's the longitude latitude so it's not out in the visible open it is something we can refer to or hand out. Good idea.

Dan Brown - Would we be required at the new well house where we are going to have chlorination, would we be required to have chemical signage on the outside for first responders as well as the propane?

Don Fawson - That's a good question, and that obviously will have to be answered as we get to that point. Sometimes they do, particularly if you have some chlorine, but I know that this liquid chlorine is certainly not the same as that gaseous chlorine.

Doris McNally - The UOSH requirements mandate that we have the MSDS sheets available, we communicate to the fire department, emergency services, what chemicals are in storage, and that in certain areas, certain cases, we identify what chemicals are there. So, it's a little bit of both, Dan. But that's a part of UOSH requirements.

Don Fawson - Anything else from the shareholders? Chris? Mayor?

Wayne Peterson - The only this is it's a Town event. Two weeks into winter, a winter barbecue was scheduled and will be happening on Friday at 5:30 p.m. It was called grillin' and chillin' with a high temperature forecast of 94 degrees now. But we'll still have it. There will be a barbecue pit with a charcoal fire ready to cook on at 5:30. Bring what you would like to cook for your own main course. Bring a side dish or dessert to share, and we're hoping to see a reasonable turnout in the community, even though the weather's not agreeing with the title of "grillin and chillin."

Don Fawson - That's awesome. I really appreciate you doing that. I think there's nothing better than bringing a community together in activities like that. It creates a better level of humanity.

Don Fawson - So Wayne do you have any idea what the Town thought they will require in order to keep the park green using LWC shares?

Wayne Peterson - One share would allow us to water, as I understand it, 0 .89 acres. So, one share would be sufficient in a normal year. And we can't try to have it if we get scale back. My understanding is we can only have the number of shares that we can justify. We have the acreage in order to irrigate. So, one share is the number.

Doris McNally - So we definitely have something we can look at here.

Don Fawson - Great. Okay, I'll accept a motion to adjourn.

VIII. MOTION TO ADJOURN MEETING

DISCUSSION	Don Fawson - OK, I'll take a motion to adjourn.
VOTE	MOTION TO ADJOURN: Brant Jones SECOND: Donald Baldwin MOTION APPROVED: Unanimously

ADJOURNMENT: 8:19 PM



Layna Larsen | Corporate Secretary