



MINUTES

Date/Time/Location:	April 13, 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), Michelle Peot (M), Don Baldwin (M) Staff: Mark Osmer (Field Operations Mgr), Layna Larsen (Corp Sec), Dan Brown (CC-Backflow Specialist) Shareholders: Susan Savage, Chris Harvey, Wayne Peterson		

Agenda Topics

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

CALL TO ORDER	Don Fawson - Okay, we'd like to welcome everybody here tonight. Let's do a roll call starting on my left. Just for your information, Brant has asked to be excused tonight. Then we will have a prayer, and I'll lead you in a pledge.
ROLL CALL	PRESENT: Donald Baldwin, Michelle Peot, Don Fawson, Doris McNally ABSENT: Brant Jones

II. PRAYER [Don Fawson]

III. PLEDGE [Don Fawson]

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

DISCUSSION	Don Fawson - Layna, please tell us where the meeting agenda was posted. Layna Larsen - We posted it on the LDWA office door. We have it posted on the outpost bulletin board, we have it posted on the LDWA website. Don Fawson - I will accept a motion to accept the agenda for tonight and to approve the minutes from last meeting.
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	Michelle Peot - I Motion to approve the agenda with a few minor corrections. Under LDWA, LWC agreement, if we could fix the typo for priority schedule? And then under the last bullet point in our president's report, maybe a little more detail and if we could clarify Joe's last name. Don Fawson - It has been moved to accept the agenda tonight with those corrections Michelle Peot - I abstain because I wasn't at the meeting

VOTE	MOTION TO APPROVE TONIGHTS MEETING AGENDA: Doris McNally SECOND: Donald Baldwin MOTION APPROVED: Unanimously
VOTE	MOTION TO APPROVE PRIOR MEETING'S MINUTES: Michelle Peot 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	Donald Baldwin, Don Fawson, Brant Jones, Doris McNally - All stated "No conflict"

VI. ADMINISTRATIVE REPORTS

(a) TREASURERS REPORT (Layna Larsen)

DISCUSSION	ANNOUNCEMENTS/BILLING/COMMUNICATION [Layna Larsen]
BILLING Layna Larsen - The billing for March was completed and mailed April 1st. NEWSDRIP Layna Larsen - The News Drip on the back of the Bills, was "Prepping For Spring, Turning On Your Outdoor Water System." We have three choices for May's News Drip. 1) is Cross -Connection Assessments. 2) The other is U.S. Drought Monitor, Washington County, Utah. And 3) Every Drop Counts. Which one would you like? Doris McNally - I think Cross Connections is the best. Don Fawson - I think that's a good one. Particularly at this time of the year when people are starting to turn on their sprinkler systems, there's always that potential for a problem. What do you think, Don? Donald Baldwin - I concur.	
 PREPPING FOR SPRING Turning On Your Outdoor Water 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 outdoor system. You blew it out and turned it off to protect your pipes from freezing. Now it's time to turn it back on. A simple walk around your property the first few times you activate your outdoor water 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.  CROSS CONNECTION ASSESSMENTS 1 In the coming months, the LDWA will be conducting cross-connection shareholder assessments, to protect our community's drinking water. These checkups are required by Utah DEQ & the EPA for all public water suppliers. An average inspection normally takes from 10 to 20 minutes. You don't need to be present for the inspection. The inspector will not enter your home; they will only require access to your outdoor plumbing. The inspector will only contact you if they require assistance or permission to access restricted areas of the property (such as areas behind a locked fence). If the inspector identifies any issues, such as a missing or non-compliant backflow preventer, you will receive a notice with instructions. Any costs associated with the replacement, modification, installation, or testing of backflow preventers are the responsibility of the shareholder.	

LDWA News Drops

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

U.S. DROUGHT MONITOR
WASHINGTON COUNTY, UT

Map released: Thurs. April 2, 2026
Data valid: March 31, 2026 at 8 a.m. EDT

Intensity

- None
- D0 (Abnormally Dry)
- D1 (Moderate Drought)
- D2 (Severe Drought)
- D3 (Extreme Drought)
- D4 (Exceptional Drought)
- No Data

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EVERY DROP COUNTS

Utah is heading into spring with a concerning water outlook after a historically warm winter and unusually low snowpack, according to the National Weather Service's March 2026 Water Outlook Briefing.

Drought conditions remain widespread. About 98% of Utah is currently experiencing at least moderate drought, with extreme drought expanding in parts of the state.

Help stretch our water supply by implementing simple changes indoors and out. Learn More.

Outdoor Conservation Tips

SCAN ME

"Remember: When in drought, conserve."

Indoor Conservation Tips

SCAN ME

VOTE

MOTION :: I MAKE A MOTION THAT WE USE THE ARTICLE FOR THE CROSS CONNECTIONS INVESTIGATIONS AS THE NEXT NEWSDRIP ARTICLE AND THAT WE START DOING THEM :: Doris McNally | SECOND: Michelle Peot

MOTION APPROVED: Unanimously

DISCUSSION

FINANCE [Layna Larsen]

FINANCE [For the Month of APRIL & YTD 2026]

P&L FOR THE MONTH REPORTING

LDWA

TOTAL INCOME			TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
Ord. OI:	\$25,431.65	80.4%	Ord. Field OE:	\$6,457.50	37.9%
Other OI:	\$6,211.07	19.6%	Ord. Admin OE:	\$1,425.72	8.4%
	\$31,642.72	100.0%	Professional OE:	\$357.00	2.1%
			Labor Expenses:	\$8,796.07	51.6%
				\$17,036.29	100.0%
Net Ordinary Income:			\$12,306.40		

YTD P&L

LDWA

TOTAL INCOME			TOTAL EXPENSE		
ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
Ord. OI:	\$67,367.07	88.7%	Ord. Field OE:	\$20,835.84	36.0%
Other OI:	\$8,598.81	11.3%	Ord. Admin OE:	\$4,503.45	7.8%
	\$75,965.88	100.0%	Professional OE:	\$4,010.50	6.9%
			Labor Expenses:	\$28,581.38	49.3%
				\$57,931.17	100.0%
Net Ordinary Income:			\$15,734.68		

The LDWA's Banking Accounts [as of 4/6/2026]

BANK ACCOUNTS FOR THE MONTH REPORTING

MOUNTAIN AMERICA CREDIT UNION

CHECKING ACCOUNTS			SAVINGS ACCOUNTS		
ACCT	BALANCE	% to TOTAL	ACCT	BALANCE	% to TOTAL
Checking	\$26,773.52	11.8%	Emergency Reserve	\$277,051.38	56.9%
DDW Loan Funds	\$199,469.47	88.2%	Loan Reserve	\$141,901.88	29.1%
	\$226,242.99	100.0%	Impact Fee Fund	\$26,143.11	5.4%
			Cap Facilities Replace	\$27,510.52	5.6%
			Debt Service Reserve	\$14,408.55	3.0%
			Open Acct	\$4.00	0.0%
				\$487,019.44	100.0%

Don Fawson – Thanks Layna, any further discussion? I'll accept a motion to accept the financials.

VOTE	I MAKE A MOTION TO ACCEPT FINANCES AS REPORTED :: Doris McNally SECOND: Donald Baldwin MOTION APPROVED: Unanimously
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b) OPERATION / FIELD REPORT [Mark Osmer]

DISCUSSION	REPAIRS & MAINTENANCE
Mark Osmer - We passed our BacT again this month. HYDRANT REPAIRS Mark Osmer - When we were flushing hydrants last month, we did notice a couple of fire hydrants that were damaged. One was run over, and we think a truck had hooked on and driven off on one, so we repaired those two. INTERSECTION MAIN ST & SILVER REEF Mark Osmer - We've put the new 10" line across Main Street from the underpass. I want to thank Don for coming out and flagging, and I want to thank Jim Thomas for helping us also. He volunteered to work and help us get that done quickly. I talked with Matt at UDOT and he was happy that we had got done with Main Street encroachment within a couple of days. Originally, I said it could be up to two weeks, but we were pretty much completed the entire project within a week. SIGNS Mark Osmer - We took some signs down from the gates and on the fences going up to Oak Grove. I think Eric is working on getting some new signs. "No unauthorized vehicles beyond this point" for the gates. I think that's about it... Doris McNally – Mark I have an additional thing to share. I attended the last Town Council Meeting and a Council Member Report, Council-person Chris Harvey shares some of the info from our last LDWA Board Meeting. Chris talked about how we had an incident where it appears someone hooked up to one of our hydrants and damaged the hydrant. She made comments that we as a community need to watch out for each other. If something looks off, say something and bring it to the attention of Town or the LDWA. Kohl Furlley brought up a really good idea. Kohl suggested that we paint the rental meters a different color, so they are easier to spot. Right now, the rental meters are bronze Badger meters, which makes it harder to tell apart from other meters. I shared this idea with Mark, and he agreed that painting them is a good idea, and the plan is to use spray paint so they can be recognized more easily. That way, if someone sees a meter on a hydrant that is not the right color, it could be a sign that it is not an authorized rental meter. So, I hope you all agree with that. The big question is what color. I want to thank Chris for saying something at the Town Council Meeting, and Kohl for the idea. It is encouraging to see the collaboration between our two entities. Don Fawson - That's a great idea. So, do we need a committee to decide what color? Yellow? Mark Osmer - It doesn't matter. Something that would stand out. If someone drove by and saw a meter on there that wasn't that color, you know, they could call in and say, hey there's someone taking water. Don Fawson - It might be interesting to find out from Kohl if he knows any of the other colors being used. Doris McNally - He mentioned that there are some yellow, and he mentioned that there was also a red. So, I think yellow because it's a contrasting color. Mark whatever color you feel that will stick out.	

Mark Osmer - I do have some yellow paint, so we could try that.

Doris McNally - And then the signs that we talked about last meeting, Eric, the gentleman who runs the sign shop on Main Street, is producing the "No Unauthorized Vehicles Behind This Point" signs. They'll be done shortly. He was saying that they might be done in a day or two.

Mark Osmer - Okay, then we can get those up.

PRV's

Mark Osmer - I've been checking the PRVs. I go into the vaults and check them probably two times a month. We do have a little leak on the new one that we installed on North Main Street. It is the same thing as we have been experiencing on others, the cross valve set up.

Don Fawson - It is just on the bypass then.

Mark Osmer - Yes, just on the bypass. I am going to probably wait till next week and just shut that down.

Don Fawson - If you could try some "made in America valves," if you can get them, and see if they're any better.

Mark Osmer - I am actually using curb stop valves when they have them because they are a little heavier duty. The ball valves just keep leaking. The leak is same thing, it's that little pinhole, and then it just gets worse and worse.

Don Fawson - Okay, very good, Mark. I did go up and put some reflective material on our automatic gate on both sides just so people could see it at night. The gate blends in pretty well in that dark environment. Dan, do you have anything to share on cross connections?

DISCUSSION CROSS CONNECTIONS [Dan Brown]

Dan Brown - Nothing permanent.

Doris McNally - In talking with Dan, he really wants to lean into the cross-connection evaluations. The News Drips article feels like a good way to kick this project forward and let our shareholders know that we'll be starting these cross-connection assessments. The next question is: who are we going to identify as the people we need to check? The first piece of this goes back to the customer survey we conducted in 2023. In that survey, we asked customers how they use water at home, whether they are LWC customers, and whether they have things like a water heater or a water softener. We gathered all of that information to better understand where there may be a higher potential for cross-connection issues. From the full customer list, I sorted the accounts based on whether they are LWC customers and whether they show a high potential for a cross-connection concern. The list is force-ranked, so the properties with the greatest potential of a cross-connection issue appear at the top, while those with lower risk are at the bottom. That should help us move through the review process more efficiently.

I put this list together for Dan and Mark to use. It includes whether the customer is an LWC and LDWA customer, their account number, customer type, service address, phone number, their survey responses, and whether they currently have a backflow device installed. Based on our last discussion, it seemed like if we want to start making progress and checking these items off, we need something like this in hand, so you have the information needed to work through the customer list. Does this make sense?

Donald Baldwin - Yes.

Don Fawson - Is that of interest to you, Dan?

Dan Brown - Well, it's very logical, and I think it's a very good asset. Regarding the last meeting and my comments about fines, or potentially the Board deciding on fines, Doris and I had a conversation today. Apparently, according to The Rural Water Users Association, we don't have the ability to do that. I was looking at the Sandy model that they had at the Rural Water Meeting this year, and I realized that, Sandy is a city, and their statement of authority is probably through their town or city council. I don't know if we have that ability, so I'm going to try and reach out to some people in Sandy over the next few days and get some clarification on that. Doris and I were talking and basically our only alternative is to threaten, water cutoff should they not comply.

Doris McNally - The Rural Water Users Association gave me a timeline for water shutoff notices. It's like you have 60 days, you have 45 days, you have 35 days, you have 10 days, then you're cut off. They don't implement separate fines for non-compliance. And they said, no, the only thing you have to do is follow code, which is that you have to relinquish the water share, but you have to give them a timed notice. So, I have that information to share with you too. I appreciate that Dan is open to take this on. It's important.

Don Fawson - We do have a Statement of Authority in our policies. We knew we needed that and added it a few years ago.

Dan Brown - Do we have a folder in the office, Don? I didn't see it.

Don Fawson - I thought it was actually online.

Dan Brown - I need to start getting a three-ring binder set up so that we can start quantifying this and have evidence of contact and efforts on our part.

Layna Larsen - That is in the office. There is a sheet that you could use when you go investigate. And you should have received that in your emails.

Dan Brown - Thank you.

Layna Larsen - I also sent you the LWC and LDWA updated accounts list. Those are where you need to start. If you let me know, we can send an email to all of them and let them know you'll be contacting them within the next couple of months.

Doris McNally - Dan, if you could grab that survey, because in thinking about it, I don't think you saw the survey. I think you came on-board after we had done the survey. So, you might want to grab a copy of that.

Layna Larsen - Not everybody answered the survey, and not everybody stated what they had. So, I think everyone needs to be checked, personally I believe we need to start with LWC customers since there is a greater chance of cross connection with them.

SECURITY

Don Fawson - Thank you so much. I really appreciate Dan volunteering in that role. It's extremely important to be able to keep the health of individual families as well as the entire system in good order. Okay, so just some things that I pulled out of the minutes from last month as we were talking about different security things. One of the things that was mentioned was using internal hinges, but it doesn't always apply, for instance even on this door you have to have external hinges on the door, which are

required by Fire Code, but there are ways of being able to secure them. On the old fire department door we did is took the door off, drilled a hole in the back side of the hinge, threaded it and put in an allen set screw. Basically, so that when the door closes, that screw is to the inside. It prevents the hinge pins from being popped out and removing the door. We have that issue up at the storage tank because that door opens out. We just need to remedy that issue. Doris, you were going to look at the possibility of cameras and updating them. Do you have anything to report?

DISCUSSION

CAMERAS [Doris McNally]

Doris McNally - I do. We currently have more than 26 cameras in our system, and many of them are around 10 years old, so the technology has changed quite a bit since they were installed. We recently added two newer cameras at the entrance to the Highlands area, and the difference in quality is very noticeable. The manufacturer, UniFi, is strongly recommending that we start updating the older cameras, so I will be putting together a project proposal and some pricing options.

The main next step is for Mark and me to sit down within the next couple of weeks and identify which camera locations really need added features like motion detection or motion-activated lights, since those options affect pricing and probably are not necessary for every camera. It would make the most sense to focus on areas like the water tank, the entrance to the tank, or anywhere equipment needs extra security. I met with the vendor last week and confirmed that the equipment is available, so once we put together a list of priorities, I will gather quotations and we can talk through a plan for retiring older cameras and replacing them over time. I also need to confirm the legal requirements for notifying people that cameras are in use in certain areas.

c) PRESIDENTS REPORT [Don Fawson]

DISCUSSION

LWC AMENDMENT [Don Fawson]

Don Fawson - I had a chance to meet with Tom Beach last week, and we sat down and went over the amendment to the LDWA/LWC agreement. We updated the Spring Priority Schedule, based on our meeting with the State Engineer, Michael Freeman, a couple of weeks ago. We removed water right 81-4402 because we lost the priority date by moving it to the Spring which made it useless. We discovered that its source had already been changed back into the well with the original priority date of 1850. We were glad to see that. On the LDWA/LWC agreement Tom stated that we really need to pare this down as much as we can. I think we all do and with the concern to make sure that we pass it by Peter Gessel, our attorney, and make sure that we're not paring it down beyond what we should. I'll continue working with him to get that taken care of. We did get a copy of the LWC bylaws, which they had updated and codified, so I was able to get a copy of the old and the new ones.

DISCUSSION

FOREST SERVICE [Don Fawson]

Don Fawson - Forest Service permit, I had a chance to talk to Joe Recksteiner, the local Forest Service superintendent. He's a really nice guy and seems very accommodating, but it just seems like the permit has really stalled. In the meantime, I contacted Mike Lee's office. They got back today and asked about this. And they said the gentleman there knows Joe. Said he'd call him and talk to him and see what we can do. The hold up right now is they had to turn it over to Fish and Wildlife. So, part of the problem, apparently, from what he said was, is that our lease on this section of line or whatever has expired. And I said, you mean after 50 years? And he said, yes. So, they had to go back and do, an extended kind of study. I'm hoping that between Senator Lee's office and Joe we can get this thing wrapped up. He did send a copy of some questions that needed to be answered and for anybody that's interested I would be glad to go through those at some time.

Doris McNally - Riley asked me about those last week and I answered all the ones I could answer for him. And I went through the questions with him, and I was able to identify some. For example, they saw that there is the InfoWest Tower on one of our tanks, and they also saw some GIS, and they just wanted to understand what those were. But I'm curious. You said the lease expired. We've been paying.

Don Fawson - There are two leases. There's a lease with the BLM and there's a lease with the Forest Service. Layna, have we been getting a Forest Service lease?

Layna Larsen - Yes, we've been paying a lease.

Don Fawson - Well, that may be, but it may have expired. I don't know.

Doris McNally - Okay, we'll look into it for you and get back to you. But I think we have answered the questions. I had heard that there was one question that Riley is holding out answering. So, I think we need to get on to Riley and get him to answer that question. It was something that I wouldn't know.

Don Fawson - Okay, let me get with you, go over the question list that I have, and then maybe we can sit down and call Riley and talk to him and see if we can get that worked on. It's only been three-plus years. And the other thing is, he said, *and then we'll send you the bill for all of this*. I thought, you've kept us from doing this for three years, and now the price of pipe is going through the ceiling because it's made out of petrochemicals, and then you're going to charge us. Seems a little un-American somehow.

Doris McNally - Next time they need some boulders moved and area cleared, we should talk about that.

Don Fawson - All right. Doris, would you give us an update on the meters?

e) BOARD MEMBER REPORT

DISCUSSION	METERS [Doris McNally]
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Doris McNally - Okay. At the last meeting, we talked about getting these cellular meters for strategic areas in our system so we can actually track our entire system, not just the usage of our residential connections. So, in meeting with Riley, our Jones and DeMille engineer, Mark, Don, and one of their other people we identified that we would need five meters altogether. Two of them being eight-inch meters and three of them being four-inch meters. I've placed the order. The three 4-inch meters are sitting in the office. I don't believe the 8-inch have arrived yet, but they're coming shortly. So, the meter update is that they were ordered. We are aware of them. We're waiting for the bills for them. There's only one other piece that hangs out, which is the agreement for the license, which I have to look over and sign. But we can start to get them into the workflow.

DISCUSSION	EMERGENCY RESPONSE PLAN [Doris McNally]
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Doris McNally - I wanted to revisit the emergency response plan. The Division of Drinking Water requires every water system to have one, and really, it should be a living document—something we can update as things change. The main purpose is to make sure all the key contact information and response steps are in one place, so if something happens and one of us is unavailable, someone else can pick it up and know exactly what to do. We updated our emergency policy in 2022 to meet the requirements at that time, but since then the template has changed quite a bit. The new version is much longer and covers sewer systems, septic systems, and other areas that do not apply to us. So I went through the template, pulled out only what is relevant to our system, and created an updated document with the information that is actually required. For example, Dan, at the last meeting you mentioned signage for hazardous chemicals. That falls under UOSH, and we already have a separate policy and plan for that. This document does not

need to repeat all of that—it just needs to reference the existing policy. We can always revise it if needed, but I think it is important to get something in place now. That was the purpose of the document. Don, I am not sure how you want to proceed from here.

Don Fawson - Well, I went through it, and other than a couple of phone numbers that need to be changed it was very good and very succinct, and I think that it meets that need. I would like further discussion. Michelle, did you have anything you were concerned about with that,

Michelle Peot - Yeah, I wanted more detail on the cybersecurity section, and I gave some comments to Doris

Don Fawson - And that's something we can add. Did you get a copy of that?

Doris McNally - Yeah, we have to come up with a plan, the input is there, but we need to come up with a plan, and we can point that document to the plan.

Don Fawson - Michelle is that going to be satisfactory.

Michelle Peot - Yes if we have a plan that gives a bit more detail because it was kind of light in that area.

Doris McNally - It is very light because we are not like another system that has our entire system connected with IT. What we have is our email system and our internal office systems, but we still have issues which we should have some documents on.

Don Fawson - Okay so this is a living document, basically we can add to it as we need to. Donald, I don't know if you've had a chance to look at it.

Donald Baldwin - Yeah, I did.

Don Fawson - Okay do you have any concerns or things you wanted to add to it.

Donald Baldwin - I really didn't have any concerns, but I wasn't aware that we had a cyber security issue and I think that for me that's not unusual.

Doris McNally - Any email system or any system unless you really lock down has a potential problem. The question is, how will we respond to it if something happens? And that's what we need to do, we need to put something together.

Michelle Peot - Right, I think we need a better email client, personally.

Doris McNally - And Michelle has wanted to talk about that and look at some options, so I think we need to look at that. Right now, our email system is under the package we get from InfoWest, and we get all of our systems free. So, I think we need to look at that and figure out what the best options are. So, Michelle, I'm happy to work with you on that.

VOTE

I'D LIKE TO MOTION THAT YOU ACCEPT THIS AS THE POLICY WE'LL PUT IN PLACE FOR NOW WITH THE UNDERSTANDING THAT IT CAN ALWAYS BE UPDATED:: Doris McNally | SECOND:: Donald Baldwin

Don Fawson - Any further discussion.

Michelle Peot - I'd like to have something in there that we have an accompanying detailed cybersecurity plan.

Doris McNally - So to add to the motion that Michelle will work with me to create a

cybersecurity plan. Appreciate the help.

MOTION APPROVED: Unanimously

DISCUSSION

SPRING PRIORITY SCHEDULE [Doris McNally]

Doris McNally - And then the last thing is the Spring Priority Schedule. So, as Don mentioned, and we met with the State Water Engineer in Cedar City, and we reviewed our priority schedule that was put together about two years ago and we had it adjusted. I have produced these updated copies so that everybody would have one. It is the updated water priority schedule based on that meeting and you all got copies of the minutes from the meeting I put together and the response I got from the engineer.

TOWN BARBECUE

Doris McNally – Ohh and let’s not forget that Town is having a barbecue in the park on Friday, April 17th at 6:30 p.m. and this is the “grillin and chillin” thing. So, let's get that into the minutes and make that note. I hear that the last event went really nice. And it's great for the community, so that's good stuff. And I posted it.

Don Fawson - Appreciate that. Okay, Thank you, Doris. Michelle, did you have something you wanted to share?

DISCUSSION

UTAH LEGISLATURE [Michelle Peot]

Michelle Peot - I was going to summarize some of the recent Bills that passed through the Utah Legislature. Doris mentioned the Emergency Response Plan. Some of that and the updated requirements came from **House Bill 19** applying to community water systems. There was a change in what types of water rights application protests could be considered in order to cut down on the number of baseless claims. It states that your protest has to be submitted within the scope of what a water rights engineer is allowed to consider. That is something we should keep in mind as we do protests. It also mentioned, for example, if you are trying to protest based on public welfare reasons like public health or whatever, the State Water Rights Engineer can't consider that if there's another regulatory agency that is better suited to make that determination. We've run into this before, for example: in Angell Springs where somebody had proposed to put in a well, and we knew that there was an issue in that area with radium. Well, the water rights engineer said, that's under the auspices of another group, and we aren't dealing with that.

House Bill 69 expands the grounds for civil suits for chronically non -compliant drinking water systems.

House Bill 76, which I thought was good, and sort of groundbreaking, requires greater transparency of water usage for data centers, which is a big issue now because of the amount of water they are using, and there's a big push for expanding data centers for AI in particular.

Then there were multiple things related to surface water and bills that were clearly aimed at this region because we're in the Lower Basin of the Colorado River. **House Bill 187** was one of those. It addresses water rights, and the wording is interesting. Water rights which are or will be owned by a water conservancy district which are or will be diverted into the lower basin would be exempt from abandonment or forfeitures. So, there's a big push, obviously, in this area to reserve water rights in the lower basin to be used as part of the central reuse system.

Donald Baldwin - So that means those that are no longer using their rights are not going to be subject to losing their rights.

Michelle Peot - Yes, but I thought it was interesting that it reserves things that are not yet owned by the Water Conservancy District, but they said will be. So, if they say, we intend to purchase these, it sort of

puts a line in the sand for them, which I thought was interesting.

Doris McNally - I have a quick question for Michelle. Last time we talked, we were discussing Angell Springs. I went to the last Angell Springs meeting, I think Wayne Peterson was there for a short period of time and Riley Vane was also there because Riley is their water engineer and they were talking about Riley putting together options for them to consider. Then in between, I heard that it has been decided that the Washington County Water Conservancy is going to take over. In that conversation I had with Riley the other day he actually said he was talking to the Commissioners and that has not been decided. He was surprised by that. I don't know if we have heard a definitive answer about what's going on with Angell Springs, if its water system is going to be maintained independent or if it's going to be become part of WCWCD. But I wanted to be able to share with the other Board Members that it's kind of going back and forth.

DISCUSSION	DISCONNECT / DE-ANNEXATION [Don Fawson]
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Don Fawson - Wayne, I think you had posed the question about what happens if we have these de-annexations or disconnections, and there are people with property in those de-annexed or disconnected areas, and they are being served by LDWA, what's going to happen to those connections? Also, what would happen with unimproved land? Are you talking about within that disconnected area?

Wayne Peterson - Right, who might have water rights.

Don Fawson - Good questions. I don't think we have an answer for you tonight, but that's something that we really seriously need to consider. So, do you have any insight into how the de-annexation process is going?

Wayne Peterson - It will play out over the next three weeks. We are into a 45-day period from when we held the public hearing. We have a meeting next Wednesday, and then there's another one three weeks after that. By that point in time, we will need to have an answer with respect to their petition.

Don Fawson - Based on the way you see the definition of the ability to disconnect and the situation that we find ourselves in relative to those developments, does it look like it's going to possibly happen?

Wayne Peterson - The rulings that have come out of late seem to be very open to petitioners' claims of not receiving services, not causing disruption to services. One of the big things that they focus on that would prevent the disconnection is if it could be demonstrated that they're an integral part of some service that gets provided to the whole community and that that would be disrupted by the disconnection. With the Leed's situation, we just have garbage collection, which Unincorporated Washington County would have. The real question and why I just raised it to you, not expecting an immediate answer, but I know some of the homeowners who would prefer to remain in Leeds are very concerned about what will happen with their water if they are forced to disconnect with this petition. The State says you can't have peninsulas and islands as part of your town boundaries. But if you look at our existing boundaries, it's just a question of less peninsulas, more peninsulas, less islands, or more islands.

Don Fawson - I appreciate all you're doing and trying to work through that. Donald, did you have anything that you wanted to talk about?

DISCUSSION	ELDORADO TANK
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Donald Baldwin - On the Eldorado Tank, I either didn't look at it right or it was a misprint. But I wondered about why it's empty and why we are not using the tank for storage. But I understand now it's a situation in that we can't use it without attaching pumps and some of those things that right now makes it cost

prohibitive to use the tank. And it's not a million gallons, it's just 125,000 gallons, which is a significant difference.

Michelle Peot - We have talked about potentially having it as a standby for fire mitigation, where we wouldn't have to maintain everything. That's what we floated last summer.

Donald Baldwin - And it still requires pumps and stuff on it though.

Michelle Peot - Depending on how we do it, yeah.

Don Fawson - There are some concerns.

1) If you fill it and do not rotate the water it becomes stagnant. It's not good to have a tank full of water just being stagnant.

NOTE: Stagnant water in large storage tanks quickly loses its dissolved oxygen and disinfectant residuals. This accelerates the rapid growth of bacteria, algae, and biofilm. Over time, it leads to foul odors, unsafe water hygiene, sediment accumulation, and a severe risk of waterborne pathogens like *Legionella*. Rotate or replace stored water in a large storage tank every 6 to 12 months to ensure freshness and prevent bacterial growth.

If we drained and refilled the tank once a year we would be dumping 125,000 gallons down the drain ditch which may be a PR issue. We would need to be sure it was done during the winter months.

2) If you install a hydrant connected to the tank it would be gravity fed. Mark, do you have any idea what the head would be?

Mark Osmer - Maybe 50, 60 feet, something like that. So, you could get maybe 20, 25 psi if the tank is full. We would have to install a separate hydrant for fire mitigation. But a water truck or a fire truck could fill up from there.

NOTE: A fire truck could not pump from there as their required residual of 20 psi would have already been met but a "pumpkin" or portable tank could be gravity filled.

Donald Baldwin - Is it still connected to be able to fill it if you wanted to.

Mark Osmer - No I've disconnected it. We have a well up there, we could probably use that well to fill it.

Don Fawson - You know, as well as I do that you have got to install a pump in the well and then reconnect everything do additional work on the housing at expense. The other problem is that the fill line to the tank and the line coming out to drain the tank are the exact same line.

Donald Baldwin - Which is an issue. That doesn't work.

Mark Osmer - So the fill and distribution line are the same.

Don Fawson - So anyway, that's the situation on that right now. Do you have anything else, Donald, you want to bring up?

Donald Baldwin - No. Thank you.

Michelle Peot - Would it be possible to fill it with our LWC water versus culinary? Would that make it any easier?

Don Fawson - I don't know how you get the LWC water over there.

Michelle Peot - Yeah, I don't know if anybody has lines in that area.

Mark Osmer - I don't think there's any irrigation water up in that area.

Don Fawson - Okay, with that, Susan? Mayor, or Chris?

VII. SHAREHOLDER COMMENTS

DISCUSSION

SHAREHOLDERS

LEASE LWC WATER From LDWA

Wayne Peterson - Two things I'd like to bring up. One is the possibility of leasing the LDWA Leeds Water Company rights so that we could keep the park green this summer at a cost that the Town could afford as opposed to what would be necessary. We're trying to do limited watering right now. It's going to cost us a lot more than the irrigation company just to do the limited. If we ever get to the heat of summer here and we're using LDWA water, it's not going to be a pleasant bill. And leasing is something that we're open to, given that there would need to be probably some more work done and the season's going to be moving on here so we would be very interested if that was a possibility and I believe it was brought up at the last meeting a bit.

Don Fawson - We have had a meeting on this, and we are very positive about moving that direction we just have a question from the state engineer I'll ask that tomorrow and then at that point I think we can sit down and go through details.

NOTE: LDWA has since discovered that the LWC shares owned by LDWA 81-1123 were actually converted to 57 culinary Spring shares (1900 priority) and are no longer LWC shares. They are listed on the Priority Schedule as Class 2. When converted the agreement with LWC was that LDWA would continue to pay its equitable share of yearly fees so this water cannot be leased as irrigation.

CULVERT

Wayne Peterson - Okay excellent. The other thing to just mention and a resident brought this to my attention and I also noticed it, It's a very minor one, but there is a culvert between the underpass and Main Street, and right now I'm just concerned that we need to make sure that we get that properly graded so that the water flows where we would like it to for the most part. I know water goes where it wants, ultimately.

Don Fawson - So, what are we talking about?

Wayne Peterson - From the underpass on Silver Reef Road out to Main Street where the pipe was just put in. There's a culvert in there. I believe, a surface one, but it's a culvert that brings the water down, and then I believe it goes under Silver Reef Road at that point.

Mark Osmer - Yes, there's two down there but we are going to grade that out tomorrow. I think they are all plugged up, though. That's what I've heard. I don't know. UDOT, I think, is going to try and clean them out or do some work on those.

Don Fawson - So is that on the south side of Oak Grove Road? Is that what you're talking about?

Mark Osmer - It goes from where we put the pipe in on Silver Reef Road. One goes towards the on-ramp, and the other one's a little further down that goes across too.

Donald Baldwin - Are they stormwater culverts?

Mark Osmer - Yes, but I don't know where the water goes after it enters the drain.

Don Fawson - We'll put the contour back to where it was, but we are not going to necessarily change that.

Wayne Peterson - No, it's just a matter of clearly when you've backfilled it all right now, you're going to have settling, you're going to have rearranging, and just if you can get it trained somewhat, realizing that water, as I say, with the right volume, it does what it wants.

Mark Osmer - We're actually going to work on that tomorrow. And I'll see if those culverts are clear as well.

Don Fawson - I appreciate Mark working on the culvert that goes down by Majestic Mountain and getting that cleaned out.

Mark Osmer - Yeah, it was about eight inches of culvert instead of eight feet.

Doris McNally - I'm just curious, who's responsible for that? I mean, is that UDOT?

Michelle Peot - I mean, if there's a drainage they blocked, don't they consider that part of the "highway?"

Wayne Peterson - That's actually beyond the highway; that's old Highway 91.

Doris McNally - But in general, like the other ones you're talking about, if they are blocked, that would be UDOT's responsibility?

Wayne Peterson - The one I would expect UDOT would cover because they own the exit ramp coming from the north.

Doris McNally - But recontouring would be us, but the actual culvert would be UDOT. Okay, that's what I was asking.

Wayne Peterson - Yes, just kind of getting it back to where it was, where they would have to clean it out.

Doris McNally - Do they usually work well with you to do that, to clean those out? Because I know I always hear about the culverts down at the other end of Town, and they're always filling up.

Wayne Peterson - The county in particular has been very helpful with clearing some of the culverts for us. They have equipment that we just would never justify.

Don Fawson - Any other questions? Chris?

HOW DOES DISCONNECT AFFECT LDWA SERVICE

Chris Harvey - So in this disconnection conversation, if there's a resident in the area that wants to disconnect with the rest of the disconnection, and they currently are served by LDWA and then go into unincorporated Washington county. LDWA says we don't service you because you are no longer within our area?

Don Fawson - That's the challenge isn't it, because it actually says in our bylaws that a property must be

in the Leeds Boundaries to be served by LDWA. We have a meeting with Peter, so we'll get back to you after we talk to the attorney and see exactly what he is recommending.

Wayne Peterson - Chris raises a question that I think may be worth raising with the attorney. There are willing disconnectors, and then there are people being dragged along. So, if there is a differentiation, it would be good to know that.

Doris McNally - Yeah, I think we're just hesitant to give an answer because we've never dealt with it.

Michelle Peot - That's a good point, Wayne.

Don Fawson - Okay, Susan, did you have anything? Anything else? Appreciate all of you being here.

VIII. MOTION TO ADJOURN MEETING

DISCUSSION	Don Fawson - I'll accept a motion to adjourn.
VOTE	MOTION TO ADJOURN: Donald Baldwin SECOND: Doris McNally MOTION APPROVED: Unanimously

ADJOURNMENT: 7:53 PM



Layna Larsen | Corporate Secretary