

High Valley Water Company
Meeting Minutes for January 23rd, 2024

Board Members Present: Scott Houston, Geneo Young, Dave Maurer, Bob Martin. (Meghan couldn't make it)

Staff Members Present: Andy Oyler, Justin Rametta
Sunrise Engineering: Derek Johnson (via phone) and Earth Services: Not present

Meeting Opened at 7PM by Justin Rametta

Minutes from November 28th, 2023 meeting read and approved

Financial statements from December 2023 reviewed and approved.

We started the meeting by discussing pay application #3 for the infrastructure project that is ready for us to sign. This request includes \$387,100.64 paid to Earth Services for work approved to date. This includes the pipe on Highland and Fairview that is currently in service. It does not include the asphalt on Highland and Fairview, and nothing for Countryside. The board was in favor of approving that pay application to demonstrate that we have no problem paying for completed work, just not work that has yet to be accepted.

We called Derek Johnson with Sunrise via speaker phone to get an update from him. He explained that multiple suppliers and subcontractors of Earth Services have been contacting him asking about the bond for the project because they are not being paid by Earth Services. There is a \$4 million payment bond for the project that protects the suppliers and subcontractors from not getting paid and there is a \$4 million performance bond that guarantees High Valley that the work will be completed. We discussed the fact that Earth Services has been unable to pay their subcontractors may put in jeopardy their ability to properly resume work this spring. We also don't feel comfortable resuming work with a company who doesn't pay their bills and with any outstanding legal action against the bonds.

Geneo suggested we get Earth Services to attend next month's meeting in order to give us an update on exactly where things stand and what their plan is for this summer. Derek thought that would be a great opportunity for them to step up and show us what their plan is going forward and update us on how they've taken care of their subs and payment situation.

We then discussed requiring Earth Services to satisfy the county engineering department's compaction testing requirements prior to approving their pay request for permanently laid asphalt. So far they are not properly documenting the tests or performing the required number of tests which has made the longevity of the asphalt a major concern of ours and the county.

We briefly discussed a fire hydrant that was damaged in an auto accident on Highland Dr. Justin trying to collect reimbursement from that person's auto insurance for the repairs to that hydrant.

We discussed Mt Regional and Summit Water raising their rates this year. Justin brought copies of those rate schedules and we discussed how we compare. We also discussed implementing some of the other fees they charge for things like hydrant meter rental, on-site service calls, and title transfer fees. It was suggested that we should announce the addition of these fees to the shareholders. Maybe that could go in a letter next month in conjunction with announcing the annual board member vote meeting in March.

We discussed the need to transition to a paperless communication platform going forward. This next analog letter to the shareholders would be a great opportunity to announce the need to collect an email address for every single member of our service area.

We discussed Verizon's proposal again. They want a 25 year agreement in the form of 5 -5year contracts. They also want to build a 22' square structure to house equipment that supports their antennas. We aren't sure exactly what the land ownership/use restrictions are to approving such a structure. We also question who owns, maintains and insures this structure. Justin to ask Troy some additional questions and see if he can take point on researching the legalities of what he's trying to build. Geneo also wants them to be responsible for any cost to modify or move equipment for potential future maintenance or repair work on our tank. Geneo also wants clarity on how the inflation number works and if they can adjust it for what the rest of the economy is doing and when its revisited.

We discussed the fact that we have recently agreed to new terms with Utah Broadband. They have agreed to increase their monthly rent to \$1,000 while also providing free internet service to manager's office and pump house. Their addendum to our contract also clarifies their new business entity to be FIF Utah, LLC, dba Utah Broadband and extends the contract for another 3 years.

Justin gave an update on his new billing software research. He has been speaking with representatives from Summit and Mt Regional to get feedback and advice on the software and systems they use. We then discussed the way the new cellular transponder on the meters will only be giving real time usage data through Eye-on-Water and not through the billing software as originally thought.

We discussed having landed on a new company logo concept in Black and White. It is currently in the coloring phase.

Scott asked for an update on the Tiscareno lawsuit. Justin explained that there has been some exchanging of legal documents between the attorney representing Auto Owners and the Tiscarenos. It is still a work in progress...

Next meeting is February 27th, 2024

Meeting adjourned at 8:45