

Cottonwood Mutual Water Company

Board of Directors Work Meeting Minutes

Thursday March 23, 2023; 6:30 PM

Board Members:

Earlene Lee	District 1	2022-2025	Present
Blaine Murray	District 2	2022-2025	Present
Heidi Dorius	District 3	2021-2024	Present
Dave Dutson	District 4	2021-2024	Zoom
Sean Dorius	M at L	2021-2024	Present
Mike Johanson / Manager			Present

Visitors: Robert McConnell, Bill Coutts, Sheila Wilkinson, Noelle Dunkley, Bill Chipp, Jessie Summers, Lilia Allen. Zoom: Susan Johanson, Zach Swenson, Attorney Matthew Johnson

Meeting called to order at 6:36 pm

Blaine explains his thoughts in the purpose of a work meeting. A meeting where a discussion of things that comes up and if there is more information of learning and/or more information needed so that the business meetings will run and work smoothly. They will be open to the public but there will not be conducting business or voting on issues. Heidi mentioned some corrections for the minutes for the meeting conducted on March 15, 2023, to change before being approved.

2. Discussion of 2013 Settlement Agreements, Water Storage agreement, AMEC Report storage capacity with Attorney Matt Johnson (09:50) Water Storage Agreement (page 8) Heidi asks about if source is available can company provide it to a shareholder with a fee. (29:32) So long as you're not affecting the right of water given to GCC. (Page 6 Storage Capacity). CMWC should be keeping a written log as to how much excess capacity we have. We inform GCC if we are allotting some out to others for their records and they notify CMWC when they allot it out. Mike comments that all the storage was all used up for the church. The question is if the storage is exhausted.

(35:47) Pumps need serious maintenance, so they are not producing the expected amount 40 gal now producing 28 gal and another well 30/22 producing because of plugged screens. Do we need that source of water to meet the needs of the shareholders? Would it be worth the price to clean the screen to make up for the lost water and are they now pumping enough to meet the needs.

(43:58) Bobby McConnell (Resident & Attorney of MGSWC) comment the million-gallon storage tanks is being utilized to supply water to our customers, fire source capacity for school, church and lower zone. That is why our water is there. There is a higher cost now due to the cost of the new tank.

(48:39) Currently are we satisfying the terms of this agreement with Gardner development? Yes, but GCC have "ear marked" for additional water for additional projects so no excess. (See page 9 paragraph l) Mike only recording the connections, but MGSWC show all planned items on reports.

Both companies have obligations to report to each other of the of using/ear marking any excess is to be used by other shareholders or developers, (Page 9; l & m) or if there are any discrepancies, both parties they shall meet to reconcile any such discrepancies.

(1:12) Suggestion from Noelle Dunkley (resident & MGSWC board member) that get the pumps up & working efficiently and/or build their own storage tank so the CMWC would have it available to shareholders. Cost analyst would need to be done.

(1:23:30) Discussion regarding the storage for Dane Wilkinson who has storage in wrong zone. So the answer to Dane's dilemma is No (page 9 paragraph m).

2. (1:26:00) Reservoir Storage Capacity Agreement with MGSWC (1:26:30) Who has legal right to claim water and utilize it. Each claimant must have first: proof of the water right and second proof of the right to store/access it in Silverleaf reservoir. If they don't have the right to store it. (P2 paragraph 1 Terms & Conditions) The claimant needs to prove their right to store in the reservoir. To do that it needs to file a legal proceeding. They need to provide proof of water rights and proof of a legal right to access the reservoir. (Water right # 55-199) Has MGSWC provided proof of water rights and storage to CMWC? The water right #55-199 is broken down to 5 different claimants including MGSWC (1:52:35).

(2:01:10) All claimants need to: Require a legal complaint in the court system. Notify MGSWC that a legal complaint has been filed so they can be prepared for mediation. (2:05:13) (Change application #35-5791 change application changing it from farm use to culinary use)

All claimants must have three items: Proof of water right; Proof of the right to store/access in reservoir; File legal complaint and notify MGSWC with/for settlement.

(2:19:05) Finalize the April Meeting to be a Shareholder meeting to include the budget, prior year expenditures, water quality, approve the articles & by laws, and any questions they might arise. Change of any articles to be voted on by the shareholders. Meeting scheduled for April 19, 2023, at 6:30 at elementary school Mike will schedule the school and post the Notices for the meeting within the proper time frame.

3. (2:24:07) Hydrant break at hangars AA1-6 additional charges forgiveness. Table to next meeting and waive any late fees.

4. Review of Weber Basin Leases tabled for the next work meeting. Page 14 of IFFP report numbers have changed. Asked Mike to look at how much capacity we have available within the next 30 days.

(2:36:21) Noelle feels that CMWC board meets with MGSWC before approving others water rights, are given. To make sure the numbers work so everyone continues to have the water they have had in the past.

5. Heidi question regarding a \$1,000.00 fee & Johnson Well; Table

6 Heidi moves to Adjourn 2nd Earlene Unanimous

Next Meeting: Shareholder's Annual Meeting April 19, 2023 at 6:30 pm.