

Cottonwood Mutual Water Company
Minutes of Board of Directors Meeting
Tuesday, March 6, 2018; 5:30 PM

Attending: Brandon Love, District 1
Robert McConnell, District 2
Doug Dingman, District 4
Jesse Summers, Member-at-large
Mike Johanson, Manager

Absent: Aaron Shimmel, District 3
Mona Wald, Secretary

1. Welcome
Meeting was called to order at 6:00 PM with Doug Dingman making motion; seconded by Jesse Summers; all were in favor
2. Discussion / Approval of minutes
Motion made by Doug Dingman to approve January 30, 2018 meeting minutes; seconded by Brandon Love; All in favor
3. Approve Share Cancellations & Reissues
Motion made by Robert McConnell to approve share cancellations and reissues with non-approval of new share certificate to 03-ROLLR1-0016; seconded by Doug Dingman; All in favor
4. Exit regular board Meeting & Enter into executive meeting to discuss various issues
Motion made by Doug Dingman to exit regular meeting and enter work meeting; seconded by Jesse Summers; all in favor
 - A. *Follow up discussion was had on Rollins Ranch water tank*
 - B. *Discussion had on WFF property purchase below reservoir dam structure; tender offer pursuant to statute*
 - C. *Discussion had regarding insurance coverage pertaining to pending lawsuit; filed but unserved*
5. Exit executive meeting enter regular meeting
Motion made by Doug Dingman to exit work meeting and enter regular meeting; seconded by Robert McConnell; All in favor
6. Financial
 - A. Current Balances as of 03/06/2018:
 - i. Checking: \$ 110,931.17
 - ii. Capital Acct: \$ 218,611.59
 - iii. Money Market: \$ 218,128.73
 - B. Review 2017 P & L
P & L reviewed and questions answered regarding various expenditures (i.e. why telephone so much more than years past; reason, internet expense was included with phone expense in 2017)
 - C. Discuss / Decision regarding transfer of funds to Capital Improvement account: \$32,161.33
Discussion concerning capital account and the projects identified. Discussion was had on projects not appearing on the list but should be such as Old Rose Hill neighborhood for infrastructure replacement and setting funds aside for future tank repair/replacement. Current capital facilities plan shows an underfunding of \$319,232.75.
Motion made by Robert McConnell to approve fund transfer from Checking to Capital improvement account of \$32,161.33; seconded by Brandon Love; all in favor
 - D. Discussion / Decision approving 2018 budget
 - i. Items to consider:
 - Truck – general discussion regarding fleet management
 - Polaris ATV
 - Shed/garage
 - Office purchase

Discussion of budget occurred with discussion focused upon items to consider. Robert requested Mike to look into lease vs purchase on truck, Doug asked for information on Polaris be sent out, and board asked Mike to work with Rulon on determining price for office and shed. Robert made motion to approve 2018 budget with an increase to the other income account to show rent paid by MOA; Seconded by Jesse Summers; all in favor

7. Discussion / decision regarding standby fees
 - A. Standby fees of \$140.00 sent on February 7, 2018
Motion made by Robert to approve the 2018 standby fee; seconded by Brandon Love; all in favor Board asked Mike to look into the fixed costs of operating the company to determine if changes to the standby fee for 2019 need to occur.
8. Discussion / Decision on amendments to bylaws – *This item was postponed until next meeting to allow board additional time to review*
9. Discussion / Decision on adopting various policies, rules and procedures – *This item was postponed until next meeting to allow board time to review*
10. Discussion Mike Wasuita will-serve request
 - A. Issues
 - i. Water source, storage & water right
 - ii. Supply line (we have discussed installing 8-inch water line into Powder Horn Rd)
 - iii. Currently have no capacity to serve. Will-serve will need to be conditional
 - B. Requirements based upon R309-510 Minimum Sizing Requirements
 - i. Source: Indoor = 0.56 gpm
 - ii. Storage: Indoor = 400 gal
 - iii. Water right duty: Indoor: 146,000gal/year, or 0.45 AF
 - iv. Water delivery an issue (cost sharing, timing of installation)
 - C. Development costs to be borne by developer
 - i. Connecting water line to proposed 8 or 10" water line in Powderhorn Rd
 - ii. Cost sharing of water line (how much)
 - iii. Installation and Setting of meter setter, valve box etc.
 - iv. Pay necessary fees to water company
 - v. Pay cost of water lease through reimbursement to water company until home is constructed and occupied
 - vi. Convey infrastructure improvements to CMWC
 - vii. Will Serve none transferrable from this property to another property

Board asked Mike J to draft conditional will-serve for Mike Wasuita and send out to board for approval; once letter is approved it can be given to Mike W

11. Discussion / Decision Annual shareholder Mtg; March 27, 2018
 - A. Review / approve agenda
 - B. Terms expiring
 - C. Nominations: how? When?
 - D. Voting: how? When?

Shareholder meeting agenda was approved; reviewed whose terms were expiring; District 3 – Aaron Shimmel; District 4 – Doug Dingman; Member-at-large – Jesse Summer. Board would like to take nominations and conduct voting at member meeting

12. Approve Newsletter for mailing

Doug Dingman? made a motion to approve Newsletter mailing; seconded by Jesse Summers?; all were in favor

13. Report on RWAU conference
 - A. Water Conservation Plan
 - B. Capacity Assessment
 - C. Rollins Ranch #3 Well

Mike reviewed RWAU Conference and updated board on CMWC's requirement to complete a water conservation plan by October 15

14. Update of district formation

Mike informed board that work is still moving forward on district formation. Some discussion was had on joining forces with sewer to create on municipal district to handle sewer and water. Concern was expressed on current operation of sewer district. Is visiting with sewer board in water companies best interest. Possibly if water companies ran the district with board voted in through elections.

15. Questions comments by board

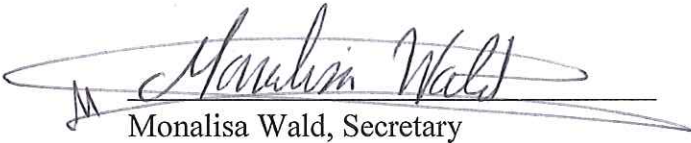
No comments

16. Next Regular Board Meeting: TBD

No date set



Mike Johanson, President



Monalisa Wald, Secretary

May 2, 2018

Date Approved